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IFACS
INDONESIA FOREST AND CLIMATE SUPPORT

INDONESIA FOREST AND CLIMATE SUPPORT ANNUAL REPORT

OCTOBER 2013 – SEPTEMBER 2014



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Cover photo: USAID IFACS works to improve forest governance and forest management in Aceh, Kalimantan, and Papua. Year 4 saw the increased collaboration of local communities, government, and the private sector to restore degraded forest areas and reduce deforestation in critical wildlife habitats and carbon-rich forests, mangroves, and peatlands across the IFACS landscapes.

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ACRONYMS

| | |
|-----------|---|
| ADF | The Aceh Development Fund |
| APL | <i>Area Peruntukan Liar</i> (non-forest land for other uses) |
| ASRI | <i>Yayasan Alam Sehat Lestari</i> |
| BAPPEDA | <i>Badan Perencanaan Pembangunan Daerah</i> (Regional Development Planning Agency) |
| BIG | <i>Badan Informasi Geospasial</i> (Geospatial Information Agency) |
| BKSDA | Ministry of Forestry's regional Conservation of Natural Resources Office |
| BLH | <i>Badan Lingkungan Hidup</i> (Environment Agency) |
| BMP | Best Management Practices |
| BOSF | Borneo Orangutan Survival Foundation |
| BPBD | <i>Badan Penanggulangan Bencana Daerah</i> (Natural Disaster Management Agency) |
| CCLA | Community Conservation and Livelihood Agreements |
| CCVA | Climate Change Vulnerability Assessment |
| CI | Conservation International |
| CIFOR | Center for International Forestry Research |
| CMMP | Conservation Management and Monitoring Plan |
| CocoBest | Cocoa for Better Livelihoods and Ecosystem |
| CSR | Corporate Social Responsibility |
| DISHUTBUN | <i>Dinas Hutan dan Perkebunan</i> (Forest and Estate Crops Agency) |
| ERC | Central Kalimantan Ecosystem Restoration Concession (ERCs), PT Rimba Makmur Utama (RMU) |
| FACTS | Foreign Assistance Coordination and Tracking System |
| FFI | Flora and Fauna International |
| FGD | Focus Group Discussion |
| FIELD | Farmers' Initiatives for Ecological Livelihoods and Democracy |
| FKPSM | Forum Komunikasi Pekerja Sosial Masyarakat |
| FMU | Forest Management Unit |
| FMUL | <i>Forum Masyarakat Uten Leuser</i> (Leuser Forest Community Forum) |
| FORDA | Forest Research and Development Agency |
| FORLAST | Forum Landscape Aceh Selatan |
| FORPALA | Forum Pala Aceh (Aceh Nutmeg Forum) |
| FORINA | Forum Orangutan Indonesia |
| FOLAT | Forum Leuser Aceh Tenggara |
| GAP | Good Agricultural Practice |

| | |
|---------|---|
| GEMAWAN | Lembaga Pengembangan Masyarakat Swadaya dan Mandiri |
| GEP | Good Environmental Practice |
| GHG | Greenhouse Gas |
| GIS | Geographic Information System |
| GOI | Government of Indonesia |
| HIPKAL | <i>Himpunan Pengusaha Kayu Lokal</i> (Logging Entrepreneurs Association) |
| HCV | High Conservation Value |
| HL | <i>Hutan Lindung</i> (Protected Forest) |
| HPK | <i>Hutan Produksi Konversi</i> (Conversion Production Forest) |
| HPT | <i>Hutan Produksi Tetap</i> (Limited Production Forest) |
| IFACS | Indonesia Forest and Climate Support |
| JICA | Japanese International Cooperation Agency |
| JIKA | <i>Jaringan Informasi Kewirausahaan Aceh</i> |
| KLHS | <i>Kajian Lingkungan Hidup Strategis</i> (Strategic Environmental Assessment) |
| KMCP | Kamoro Mangrove Conservation Project |
| KPH | <i>Keastuan Pengelolaan Hutan</i> (Forest Management Unit) |
| KPHAS | <i>Konsorsium Peduli Hutan Aceh Selatan</i> |
| KUBK | <i>Kelompok Usaha Bersama Karet</i> (Rubber Business Group) |
| LCP | Landscape Conservation Plan |
| LEDS | Low-Emission Development Strategy |
| LENERA | Lembaga Penelitian dan Pemberdayaan Masyarakat Sejahtera |
| LDP | Lembaga Dayak Panarung |
| M&E | Monitoring and Evaluation |
| MAP | Mangrove Action Plan |
| MIS | Management Information System |
| MMWG | Mimika Mangrove Working Group |
| MSF | Multi-Stakeholder Forum |
| MOF | Ministry of Forestry |
| MOU | Memorandum of Understanding |
| MRV | Monitoring, reporting and verification |
| MTD | Monthly Thematic Discussion |
| NGO | Nongovernmental Organization |
| NRM | Natural Resource Management\ |
| NTFP | Non-Timber Forest Product |
| OIC | Orangutan Information Center |
| OCSP | Orangutan Conservation Services Program |
| PES | Payment for Environmental Services |

| | |
|------------|---|
| PMP | Performance Monitoring Plan |
| PNPM | <i>Program Nasional Pemberdayaan Masyarakat Mandiri</i> (National Program on Community Empowerment and Self-Reliance) |
| POKKER SHK | <i>Kelompok Kerja Sistem Hutan Kerakyatan</i> |
| PTFI | PT Freeport Indonesia |
| RAPI | <i>Rencana Aksi Perubahan Iklim</i> (Climate Change Vulnerability Action Plan) |
| REDD+ | Reducing Emissions from Deforestation and Forest Degradation (and Conservation) in Developing Countries |
| RIL | Reduced-Impact Logging |
| RPJMD | <i>Rencana Pembangunan Jangka Mengah Daerah</i> (medium-term development plan) |
| RRI | <i>Radio Republik Indonesia</i> (National Radio Broadcast) |
| RTRW | <i>Rencana Tata Ruang Wilayah</i> (spatial plan) |
| RTRWK | <i>Rencana Tata Ruang Wilayah Kabupaten</i> (district spatial plan regulation) |
| SDI | Spatial Data Infrastructure |
| SEA | Strategic Environmental Assessment |
| SFM | Sustainable Forest Management |
| SIF | Swisscontact Indonesia Foundation |
| SIMTARU | <i>Sistem Informasi Manajemen Tata Ruang</i> (Spatial Planning Management Unit) |
| SKPD | <i>Satuan Kerja Perangkat Daerah</i> (local government working unit) |
| SMART | Spatial Monitoring and Reporting Tool |
| SPORC | Rapid Reaction Forest Police Unit |
| STC | Sustainable Trade Consultants |
| STTA | Short-term technical assistant |
| TFCA | Tropical Forest Conservation Act |
| TA | Technical Agreement |
| TFF | Tropical Forest Foundation |
| TNGL | <i>Taman Nasional Gunung Leuser</i> (Gunung Leuser National Park) |
| TNGP | <i>Taman Nasional Gunung Palung</i> (Gunung Palung National Park) |
| TSAK | <i>Tim Serbu Api Keluruhan</i> (village firefighting teams) |
| UNORCID | United Nations Office for REDD+ Coordination |
| USAID | United States Agency for International Development |
| USFS | United States Forest Service |
| USG | United States Government |
| YAPEDA | Yayasan Peduli AIDS Timika |
| YCI | <i>Yayasan Cakrawala Indonesia</i> |
| YIPD | <i>Yayasan Inovasi Pembangunan Daerah</i> |

| | |
|----------|---|
| YGHL | <i>Yayasan Gampong Hutan Lestari</i> |
| YLI | Yayasan Leuser International |
| YOSL-OIC | <i>Yayasan Orangutan Sumatera Lestari</i> -Orangutan Information Center |
| WWF | World Wildlife Fund |
| ZSL | Zoological Society of London |

EXECUTIVE SUMMARY

This is the Annual Progress Report for Year 4 of USAID's Indonesia Forest and Climate Support (IFACS) project, covering the period of October 1, 2013, to September 30, 2014. Implemented under the leadership of Tetra Tech ARD, IFACS supports the Government of Indonesia's commitment to lower greenhouse gas emissions through the conservation of forests and peatlands and the promotion of low-emission development strategies (LEDS).

USAID IFACS (Contract No. AID-EPP-I-00-06-00008, TO No. AID-497-TO-11-00002) is funded by the United States Agency for International Development and is a task order under USAID's Prosperity, Livelihoods and Conserving Ecosystems (PLACE) IQC. The period of performance for the IFACS project initially ran from November 5, 2010, to September 30, 2014, and was extended by an additional six months to March 30, 2015.

IFACS strives to reduce carbon emissions in Indonesia's land-use sector through the integration of forest and peatland conservation with LEDS. This is achieved through partnerships with district governments, local communities, and non-governmental organizations to promote spatial plans that reduce deforestation and ensure sustainable forest management. The project also works with private sector partners in the forestry, plantation, and mining sectors to introduce forest conservation strategies and integrate LEDS into their business operations.

IFACS implementation integrates subcontracts, grants, and direct-implementation activities, with technical guidance and oversight provided by advisors and technical specialists in the Jakarta office and day-to-day facilitation and coordination managed by regional field teams. IFACS activities are designed around two main pillars: environmental governance and improved forest management. The project is implemented through four complementary components:

1. Land and forest governance
2. Forest management and conservation
3. Private sector, local enterprise, and market linkages
4. Project coordination and management

Crosscutting activities dedicated to supporting these four components in the various landscapes include: communication and outreach; grants; training and capacity building; and monitoring and evaluation.

IFACS activities are implemented in eight strategic landscapes on three of Indonesia's largest islands, where primary forest cover remains most intact and carbon stocks are greatest. In northern Sumatra, the project landscapes—Aceh Selatan and Aceh Tenggara—comprise the focal districts of Aceh Selatan, Gayo Lues, and Aceh Tenggara, located within the Leuser ecosystem, which hosts a wide range of endemic wildlife species and the third-largest tropical rainforest in the world. In Kalimantan, IFACS works in two landscapes: Ketapang Landscape in West Kalimantan, comprising the focal districts of Ketapang, Kayong Utara, and Melawi; and Katingan Landscape in Central Kalimantan, comprising the focal districts of Katingan and Pulang Pisau and the municipality of Palangkaraya. IFACS also works in four Papua landscapes—Mimika and Asmat in the south, and Sarmi and Mamberamo in the north. Under guidance from USAID, IFACS commenced limited work in support of collaborative conservation management of the Cyclops Nature Reserve, managed from the IFACS office in Jayapura.



IFACS YEAR 4 HIGHLIGHTS

Following the surge in IFACS field activities in Year 3, this year saw significant results in the project's key target initiatives to strengthen forest governance and improve forest management. Across the project landscapes, the success of IFACS' multi-stakeholder approach to conservation was evident in the gains made in winning district government support, community cooperation and private sector engagement in IFACS programs. Established multi-stakeholder forums (MSF) led conservation activities in the IFACS focal districts, bringing together government and civil society to take collaborative action on protecting high-conservation value (HCV) forests in watersheds, national parks, wildlife sanctuaries and coastal wetlands.

Steady progress in the development of Strategic Environmental Assessments (SEA) led to completion of SEA documents in 11 of the project's 13 focal districts, with strong support from senior district officials. Winning political support for the SEA process was achieved largely by fostering district engagement through MSF workshops and monthly thematic discussions (MTDs). These regular gatherings enabled stakeholders to coordinate strategies for implementation of conservation action plans, LEDS, and public outreach programs to promote climate change awareness. SEA facilitation workshops and Geographic Information System (GIS) trainings provided to 1,400 district government staff and MSF members across the IFACS landscapes also played a critical role in bolstering SEA development. Landscape Conservation Plans (LCP) facilitated by MSFs, with technical guidance from IFACS, defined conservation targets to incorporate with SEAs and LEDS in district spatial plans.

Great strides also were achieved this year in leveraging funds from IFACS district partners for conservation initiatives. Year 4 saw significant amounts of funding leveraged from district government budgets totaling US\$3.3 million to support conservation programs, low-emissions development, and capacity building for SEA and spatial planning. Successful partnerships with MSFs were key to securing these funds, an encouraging indication that climate change issues are becoming mainstreamed in local government policies and land-use planning in the IFACS focal districts.

The MSF's close collaboration with IFACS in Gayo Lues contributed to the establishment of an environment Agency, which subsequently issued a district regulation (*qanun*) to strengthen forest conservation measures. Following this, Gayo Lues District allocated more than US\$700,000 to support natural resource conservation, improvement of environmental quality standards and the establishment of "green spaces" in Gayo Lues. The *bupati* (district

head) also instructed government agencies to allocate more funding to support the MSF in future, which will be critical for sustainability of the MSF beyond the IFACS project.

In Papua's Mimika District, the local government allocated US\$80,000 to support the IFACS project through the provision of facilities for MSF meetings, discussions on mangrove conservation and the development of a draft mangrove regulation. This support has contributed to the gains achieved this year in fostering collaborative management of 250,000 hectares of mangroves and 500,000 hectares of swamp forest in Mimika that form part of one of the largest, richest, and most intact wetland ecosystems in the world.

In Pulang Pisau, Central Kalimantan, the MSF grew particularly strong in Year 4, assuming a leadership role in fire prevention in the district's peatlands that have been experiencing extensive fires this year. Inspired by results achieved by IFACS' firefighting training program in neighboring Palangkaraya, Pulang Pisau District allocated funds from its annual budget to support firefighting training for staff from the district Environment Agency (BLH), the Forest Agency, the Natural Disaster Management Agency (BPBD), and community volunteer groups. In September, responding to an outbreak of forest fires spreading across Kalimantan, the *bupati* launched a comprehensive firefighting campaign, directing district officials and police to deliver aggressive warnings to 13 oil palm companies against igniting fires to clear land for their plantations. The new policy resulted in several high-level arrests and alerted concessionaires to the district's new "shock therapy" approach to battling forest fires in the region.

MSFs in the project focal districts have taken leading roles in promoting Community Conservation and Livelihood Agreements (CCLAs), in particular in Aceh, where they are seen as a vital partner in sustaining CCLAs beyond the life of the IFACS project. Cacao and nutmeg livelihood development programs in Aceh have gained district funding support. In Papua's Sarmi District, virgin coconut oil production supported through an IFACS grant to the Institute of People Independence has secured follow-up funding from the district's development planning agency BAPPEDA (*Badan Perencanaan Pembangunan Daerah*).

IFACS climate change adaptation action plans were initiated in Year 4 through a subcontract with the Farmers' Initiatives for Ecological Livelihoods and Democracy (FIELD). The program conducted climate change vulnerability assessments (CCVA) and action plans for 90 target villages. Implementation of the climate change adaptation plans, known in local villages as *Rencana Aksi Perubahan Iklim* or RAPI, were initiated in 76 villages this year. Designed to build community resilience to climate change impacts, the CCVA and action plans support forest-dependent communities most impacted by deforestation as well as coastal farming communities most vulnerable to sea-level rise and extreme weather events caused by climate change.

Engaging district government at the highest levels in forest conservation strategies resulted in significant gains in Year 4 across the IFACS Landscapes. In Aceh, IFACS subcontractor Yayasan Leuser International (YLI) won the support of the bupati in Aceh Selatan District for a proposal to reclassify the status of a wildlife corridor, known locally as the Trumon Corridor, for management under a *taman hutan* (forest park) scheme in order to expand and safeguard the orangutan habitat in the Leuser Ecosystem. The *bupati* has asked the district BAPPEDA and the Forest and Estate Crops Agency (DISHUTBUN) to analyze the proposal to review funding availability and provide support for its synchronization with the district spatial plan.

In Aceh Tenggara Landscape, the Gayo Lues MSF, through an active engagement with the district Environment Office, won district support for development of a *qanun* to safeguard critical watershed areas. This was followed by funding allocation from the district annual budget to support a watershed conservation program. Strong commitments from the MSF

government and civil society members also ensured the successful implementation of other IFACS activities in Gayo Lues District.

In Ketapang Landscape in West Kalimantan, MSF sunset discussions in Kayong Utara District have resulted in a collaborative management approach involving local communities and district government to improve protections for Gunung Palung National Park. In support of this MSF-led initiative, the bupati of Kayong Utara District issued a decree to promote conservation in the buffer zone bordering the national park. The decree allocates land for rice production to support local farmers and discourage villagers from illegal logging activities. The decree also supports ecotourism development as a low-emission strategy for providing another alternate source of livelihood for local communities.

IFACS Jakarta and regional staff worked closely with grantees and subcontractors throughout Year 4 to complete development of CCLAs in villages across the project landscapes. A total of 162 community villages, out of 160 targeted villages, have now signed CCLAs. These communities have begun to implement agreements in their villages, conducting conservation activities in exchange for livelihood support facilitated by IFACS grant partners. This arrangement has contributed significantly to increasing forest areas under improved management in the IFACS landscapes. An estimated 362,000 hectares of forest and other HCV areas are presently covered by the CCLAs under development. IFACS has verified that 32,000 hectares of forest to date are presently under improved management as a result of community participation in conservation efforts. The CCLAs also have contributed significantly to growing public awareness of climate change issues in villages across the IFACS landscapes.

IFACS achievements through the end of Year 4 are summarized in the following table.

TABLE 1. IFACS ACHIEVEMENTS UP TO YEAR 4

| Indicator | Target Over the Life of Project | Actual (Y1) | Actual (Y2) | Actual (Y3) | Actual (Y4) | % of Completion (Actual vs Target) |
|---|---------------------------------|-------------|-------------|------------------------------|------------------------------|------------------------------------|
| #1 - Quantity of CO2 emission benefits per annum from improved forest management, improved forest protection, and afforestation | 6,000,000 tCO ₂ e | 0 | 0 | 4,877,921 tCO ₂ e | 4,425,797 tCO ₂ e | 74% |
| #2 - Number of districts with draft spatial plans incorporating recommendations from the Strategic Environmental Assessment (SEA) | 11 districts | 0 | 0 | 0 | 11 districts | 100% |
| #3 - age of people with increased capacity to apply spatial planning | 75% | 0 | 0 | 0 | 67% | 89% |
| #4 - Number of beneficiaries receiving economic benefits from Low Emission Development Strategies (LEDS) activities | 12,000 people | 0 | 0 | 1,358 people | 2,562 people | 33% |
| #5 - Number of hectares under improved sustainable natural resources management | 3,000,000 ha | 0 | 0 | 1,464,498 ha | 1,016,736 ha | 34% |
| #6 - Number of villages with increased capacity to adapt to the impacts of | 54 villages | 0 | 0 | 0 | 35 villages | 65% |

| Indicator | Target Over the Life of Project | Actual (Y1) | Actual (Y2) | Actual (Y3) | Actual (Y4) | % of Completion (Actual vs Target) |
|---|---------------------------------|-------------|--------------------|----------------------|------------------------|------------------------------------|
| climate change | | | | | | |
| #7 - Amount of investment leveraged in USD from private and public sources for climate change, conservation, and spatial planning | USD 4 million | 0 | 0 | USD 1,012,495 | USD 3,530,275 | 114% |
| #8 - age increase in recognition and understanding of major conservation, forestry, and climate issues by governments, stakeholders, and local communities in targeted landscapes | 50% | 0 | 0 | 0 | Measured in 2015 | Measured in 2015 |
| #9 - Number of multi-stakeholder fora (MSF) operational | 11 MSFs operational | 0 | 0 | 0 | 5 MSFs operational | 45% |
| #10 - Number of Spatial Data Infrastructures (SDIs) with increased capacity to collect, analyze, and report valid data | 11 SDIs | 0 | 0 | 0 | 0 SDI | 0% |
| #11 - Number of districts with an operational monitoring system in place | 11 districts | 0 | 0 | 0 | 1 district | 9% |
| #12 - Number of regulations and plans promoting sustainable natural resources management developed | 5 regulations/plans | 0 | 0 | 0 | 12 regulations/plans | 240% |
| #13 - Number of private-sector entities (concessionaires) that implement Conservation Management and Monitoring Plans (CMMPs) | 15 CMMPs implemented | 0 | 0 | 0 | 6 CMMPs implemented | 40% |
| #14 - Number of Community Conservation and Livelihood Agreements (CCLAs) signed | 160 CCLAs signed | 0 | 0 | 0 | 162 CCLAs signed | 101% |
| #15 - Number of people exposed to USAID IFACS- supported information on forest and land-use based conservation issues | 143,000 people exposed | 0 | 0 | 0 | 317,817 people exposed | 222% |
| #16 - Number of people receiving USG-supported training in natural resources management and/or biodiversity conservation | 3,500 people trained | 0 | 250 people trained | 2,941 people trained | 5,135 people trained | 238% |

IMPLEMENTATION CHALLENGES

While Year 4 began with a degree of uncertainty regarding the end-date of the IFACS contract, this was favorably resolved by mid-October 2013 with the execution of Contract Modification #8. In addition to rationalizing contract deliverables and providing enabling conditions for a more effective Performance Monitoring Plan (PMP), the IFACS contract was extended six months. Significantly, this enabled IFACS to operate at full capacity for the entire year, and postponed discussions of closeout plans into the next year.

Some challenges in implementation that IFACS faced in Year 4 included:

- Many grantees and subcontractors have fallen behind on their delivery schedules, slowing down the achievement of some results. This seems to have been driven by overly ambitious plans in initial agreements. In the third and fourth quarter, IFACS worked with relevant grantees and subcontractors to make adjustments and, where necessary, to modify agreements. The IFACS contract extension provides ample time to wrap up all grantee and subcontract work by January 2015.
- IFACS staff and partners lost some time and momentum to this year's national legislative and presidential elections. Similarly, religious holidays of Ramadan, Eid, Christmas, and Easter led to slowdowns in landscapes dominated by observings. As these slowdowns had been anticipated in the Work Plan, this impact was minimal.
- IFACS has had difficulties maintaining private-sector engagement for completion and implementation of conservation management and monitoring programs (CMMPs), especially in the Papua landscapes. While this has slowed down achievement of some results, project staff have resolved delays, and work is anticipated to be completed satisfactorily.
- Work in Mimika Landscape in southern Papua was slowed by a number of violent incidents resulting in security tensions in Mimika District's capital city Timika. While this is common in Timika, the intensity of tensions and resulting violence was exceptionally high during the last quarter of Year 4. Also in Mimika, IFACS staff and partners suffered increasing incidents of malaria while conducting fieldwork in the Mimika mangroves, a key conservation objective for the project.

IFACS ANNUAL REPORT PRESENTATION

The IFACS Year 4 Annual Report is presented in two main sections. The first section provides a summary of progress in the project's four main components and supporting crosscutting activities during Year 4. This is followed in the next section by detailed summaries of IFACS progress achieved at the landscape level.

Appendices at the end of the report feature a table presenting IFACS progress in achieving results toward PMP targets in each landscape. Other appendix tables include updated IFACS staff charts and tables showing grants, subcontracts and private sector partners during Year 4.

This report also provides a Bahasa Indonesia translation of the Executive Summary.

RINGKASAN EKSEKUTIF

Laporan perkembangan ini berisi tentang kemajuan tahunan sepanjang periode tahun ke 4 untuk proyek *Indonesia Forest and Climate Support* (IFACS) USAID, dari kurun waktu 1 Oktober 2013 sampai dengan 30 September 2014. Diimplementasikan oleh Tetra Tech ARD, IFACS membantu komitmen Pemerintah Indonesia untuk menurunkan emisi gas rumah kaca melalui pelestarian hutan dan lahan gambut, dan strategi pembangunan emisi rendah (SPRE) atau *Low Emission Development Strategies* (LEDS).

IFACS USAID (No. Kontrak AID-EPP-I-00-06-00008, TO No. AID-497-TO-11-00002) didanai oleh the United States Agency for International Development dan merupakan Gugus Tugas di bawah *Prosperity, Livelihoods and Conserving Ecosystems* (PLACE) IQC dari USAID. Durasi proyek IFACS diawali pada 5 November 2010 sampai dengan 30 September 2014, dan kemudian diperpanjang selama enam bulan sampai 30 Maret 2015.

IFACS berusaha untuk menekan emisi karbon pada sektor pemanfaatan lahan di Indonesia melalui integrasi pelestarian hutan dan lahan gambut yang berbasis LEDS. Hal ini dicapai melalui kemitraan dengan pemerintah daerah, masyarakat setempat dan lembaga swadaya masyarakat untuk meningkatkan kualitas perencanaan tata ruang guna menurunkan laju deforestasi dan mewujudkan pengelolaan hutan berkelanjutan. Proyek ini juga bekerja sama dengan berbagai mitra sektor swasta di bidang kehutanan, perkebunan dan pertambangan untuk memperkenalkan strategi pelestarian hutan dan menyatukan prinsip-prinsip pembangunan rendah emisi dalam berbagai operasi bisnis mereka.

Kegiatan IFACS diimplementasikan melalui subkontrak, hibah dan kegiatan implementasi langsung, dengan bantuan teknis dan pengawasan yang disediakan oleh penasehat dan para pakar teknis di kantor Jakarta dan fasilitasi serta koordinasi harian yang dikelola oleh tim lapangan regional. Seluruh kegiatan IFACS dirancang dalam dua pilar utama: perbaikan tata kelola hutan dan lahan dan peningkatan kualitas pengelolaan hutan. Proyek ini diimplementasikan melalui empat komponen tambahan:

1. Tata Kelola Sumber Daya Lahan dan Hutan
2. Konservasi dan Pengelolaan Hutan
3. Hubungan antara Sektor Swasta, Perusahaan Lokal, dan Pasar
4. Koordinasi dan Manajemen Proyek

Kegiatan *crosscutting* didedikasikan untuk mendukung empat komponen ini pada berbagai lanskap, yang meliputi: Komunikasi dan Ruang Lingkupnya; Hibah; Pelatihan dan Pengembangan Kapasitas; serta Monitoring dan Evaluasi.

Kegiatan IFACS diimplementasikan di delapan lanskap strategis di tiga pulau terbesar di Indonesia, dimana kondisi hutan primer sebagian besar masih baik dan simpanan karbon masih banyak. Di Sumatera, terdapat lanskap – Aceh Selatan dan Aceh Tenggara – yang terdiri dari kabupaten utama Aceh Selatan, Gayo Lues dan Aceh Tenggara, yang terletak di Ekosistem Leuser, yang menjadi rumah bagi banyak spesies satwa liar endemik dan merupakan hutan hujan tropis terbesar ketiga di dunia. Di Kalimantan, IFACS bekerja di dua lanskap: Lanskap Ketapang di Kalimantan Barat, dengan kabupaten utama Ketapang, Kayong Utara dan Melawi; dan Lanskap Katingan di Kalimantan Tengah, dengan kabupaten utama di Katingan dan Pulau Pisau, serta Kotamadya Palangka Raya. IFACS juga bekerja di lanskap Papua – Mimika dan Asmat di selatan, dan Sarmi dan Mamberamo di utara. Di bawah panduan USAID, IFACS memulai kerja terbatas untuk mendukung kerja sama pengelolaan pelestarian Cagar Alam Cyclops, yang dikelola dari kantor IFACS di Jayapura.



CAPAIAN IFACS TAHUN KE-4

Menyusul meningkatnya ritme berbagai kegiatan lapangan pada IFACS Tahun ke-3, tahun ini kami melihat adanya peningkatan hasil yang signifikan atas berbagai target utama proyek untuk memperkuat tata kelola hutan dan peningkatan manajemen hutan. Di berbagai lanskap proyek, keberhasilan pendekatan MSF IFACS dalam usaha pelestarian sangat nyata dalam mendapatkan dukungan dari pemerintah daerah, kerja sama masyarakat dan keterlibatan sektor swasta dalam berbagai program IFACS. Pengembangan forum multi pihak (MSF) mampu mengarahkan kegiatan pelestarian di kabupaten-kabupaten utama IFACS, menyatukan pemerintah daerah dan masyarakat sipil untuk melakukan kerjasama dalam melindungi hutan bernilai konservasi tinggi (NKT) di wilayah tangkapan air, taman nasional, suaka margasatwa dan lahan basah pesisir.

Kemajuan yang mantap dalam penyusunan Kajian Lingkungan Hidup Strategis mengarah pada penyelesaian dokumen KLHS pada 11 dari 13 kabupaten utama, dengan dukungan penuh dari pejabat senior kabupaten. Sebagian besar dari usaha mendapatkan dukungan politis atas proses KLHS dicapai melalui pelibatan *stakeholder* kabupaten dalam berbagai lokakarya MSF dan diskusi tematis bulanan (Monthly Thematic Discussion). Dengan adanya berbagai pertemuan rutin ini, maka para pemangku kepentingan dapat mengkoordinasikan berbagai strategi untuk implementasi rencana aksi pelestarian, LEDS dan program *outreach* masyarakat untuk meningkatkan kesadaran atas terjadinya perubahan iklim. Fasilitasi lokakarya KLHS dan pelatihan SIG yang diberikan kepada lebih dari 1.400 staf pemerintah daerah dan anggota MSF di seluruh lanskap IFACS juga memainkan peran penting dalam memperkuat pengembangan KLHS. Rencana Konservasi Bentang Alam yang difasilitasi oleh MSF, dengan bantuan teknis dari IFACS, mengharuskan sasaran pelestarian ikut menyatukan KLHS dan Strategi Pembangunan Rendah Emisi (SPRE) dalam rencana tata ruang kabupaten.

Kemajuan besar juga dicapai tahun ini dengan peningkatan dana dari mitra kabupaten IFACS untuk inisiatif pelestarian. Pendanaan yang berhasil dihimpun pada tahun ke 4 dari anggaran pemerintah kabupaten mitra mencapai 3,3 juta Dolar untuk mendukung program pelestarian, pembangunan beremisi rendah dan pengembangan kemampuan untuk KLHS dan perencanaan ruang. Keberhasilan kemitraan dengan MSF merupakan faktor utama dalam mendapatkan pendanaan ini, indikasi positif atas isu perubahan iklim kini mulai menjadi arus utama dalam kebijakan pemerintah daerah dan perencanaan tata guna lahan dalam kabupaten-kabupaten utama IFACS.

Kerja sama erat MSF dengan IFACS di Gayo Lues berperan besar dalam pengembangan dan pembentukan Kantor Lingkungan Hidup (KLH), yang di kemudian hari lembaga ini mengeluarkan peraturan daerah (*qanun*) untuk memperkuat usaha pelestarian hutan. Menyusul hal ini, Kabupaten Gayo Lues mengalokasikan dana lebih dari 700,000 Dolar untuk mendukung pelestarian sumber daya alam, peningkatan standar kualitas lingkungan dan pengembangan “ruang terbuka hijau” di Gayo Lues. Bupati juga memerintahkan berbagai lembaga untuk lebih banyak menyisihkan dana untuk mendukung program MSF di masa mendatang, yang akan sangat penting bagi kelangsungan MSF setelah proyek IFACS berakhir.

Di Kabupaten Mimika, Papua, pemerintah daerah mengalokasikan dana sebesar 80,000 Dolar untuk mendukung proyek IFACS melalui penyediaan fasilitasi pertemuan MSF, diskusi terkait pelestarian bakau dan pengembangan rancangan peraturan daerah terkait hutan bakau. Dukungan ini telah berperan penting dalam capaian tahun ini dalam melakukan pengelolaan bersama atas 250.000 hektar hutan bakau dan 500.000 hektar lahan rawa di Mimika yang menjadi bagian dari ekosistem lahan basah yang terbesar, terkaya dan belum terjamah di dunia.

Di Pulang Pisau, Kalimantan Tengah, MSF tumbuh makin kuat pada Tahun ke-4, menjadi pelopor dalam pencegahan kebakaran hutan di lahan gambut di kabupaten tersebut yang telah mengalami kebakaran hutan hebat tahun ini. Terinspirasi oleh hasil yang dicapai melalui program pelatihan pemadaman kebakaran IFACS di Kota Palangka Raya, pemerintah Pulang Pisau memutuskan untuk mengalokasikan dana dari APBD mereka untuk mendukung program pelatihan pemadaman kebakaran bagi para staff BLH, Badan Kehutanan, Badan Penanggulangan Bencana Daerah (BPBD), dan kelompok relawan masyarakat. Pada bulan September, dalam mengatasi penyebaran kebakaran hutan di seluruh Kalimantan, Bupati Pulang Pisau meluncurkan kampanye pemadaman kebakaran, memerintahkan kepada aparat pemerintah daerah dan polisi untuk memberikan peringatan keras kepada 13 perusahaan kelapa sawit yang bertanggung jawab atas pembakaran hutan untuk membersihkan lahan perkebunan. Kebijakan baru ini menyebabkan pada penangkapan signifikan atas beberapa pelaku pembakaran hutan dan mengingatkan para pemegang hak pengusahaan hutan atas pendenkatan terapi kejut baru yang dijalankan pemerintah kabupaten dalam memerangi pembakaran hutan di wilayah tersebut.

Sejumlah MFS di beberapa kabupaten kini telah mengambil alih peran utama dalam membangun CCLA, khususnya di Aceh, dimana MSF dilihat sebagai mitra penting dalam mempertahankan keberlanjutan CCLA setelah proyek IFACS berakhir. Program pengembangan cokelat dan pala rumah tangga di Aceh mendapatkan dukungan pendanaan baru dari kabupaten. Di Kabupaten Sarmi, Papua, produksi *virgin coconut oil* yang dibantu melalui dana hibah IFACS kepada Lembaga Masyarakat Merdeka (IPI), telah berhasil mengamankan pendanaan lanjutan dari Badan Perencanaan Pembangunan Daerah (BAPPEDA).

Rencana aksi adaptasi perubahan iklim IFACS dimulai pada tahun ke-4 melalui mekanisme subkontrak dengan Farmers’s Initiatives for Ecological Livelihood and Democracy (FIELD). Program ini melaksanakan penilaian kerentanan perubahan iklim (CCVA) dan rencana aksi untuk 90 desa sasaran. Implementasi rencana adaptasi perubahan iklim, yang dikenal oleh masyarakat desa setempat sebagai Rencana Aksi Perubahan Iklim atau RAPI, dimulai tahun ini di 76 desa. Rencana yang dirancang untuk membangun ketahanan masyarakat desa terhadap dampak perubahan iklim (CCVA) dan rencana aksinya difokuskan pada usaha untuk mendukung masyarakat yang menggantungkan diri dari hutan, yang terkena dampak terbesar dari adanya penebangan hutan, dan masyarakat petani pesisir yang paling rentan terhadap kenaikan permukaan air laut dan kejadian cuaca ekstrim yang disebabkan oleh perubahan iklim.

Pelibatan pemerintah kabupaten pada tingkat tertinggi dalam strategi pelestarian hutan berdampak signifikan dalam tahun ke-4 ini di sepanjang lanskap IFACS. Di Aceh, subkontraktor IFACS Yayasan Leuser Internasional (YLI) mendapatkan dukungan dari bupati di Kabupaten Aceh Selatan atas proposalnya untuk mengklasifikasi ulang status koridor satwa liar, yang dikenal masyarakat setempat sebagai Koridor Trumon, untuk dikelola dibawah skema taman hutan raya (TAHURA) guna memperluas dan menjaga habitat orangutan di Ekosistem Leuser. Bupati telah memintan Badan Perencanaan Pembangunan Daerah (BAPPEDA) dan Dinas Kehutanan dan Perkebunan (DISHUTBUN) untuk menganalisa proposal untuk mengkaji pendanaan dan pemberian dukungan bagi penyelarasan proposal tersebut dengan rencana tata ruang kabupaten.

Di Lanskap Aceh Tenggara, MSF Gayo Lues, melalui keterlibatan aktif dengan Dinas Lingkungan Hidup berhasil mendapatkan dukungan dari kabupaten untuk pengembangan qanun untuk menjaga wilayah tangkapan air yang penting. Ini diikuti dengan alokasi pendanaan dari APBD untuk mendukung program pelestarian daerah tangkapan air. Komitmen yang kuat dari pemerintah, MSF dan anggota masyarakat juga berperan dalam memastikan keberhasilan implementasi dari berbagai kegiatan IFACS lainnya di Kabupaten Gayo Lues.

Di Lanskap Ketapang di Kalimantan Barat, diskusi keberlanjutan MSF di Kabupaten Kayong Utara telah menghasilkan pendekatan manajemen kerjasama yang melibatkan masyarakat setempat dan pemerintah kabupaten untuk meningkatkan perlindungan bagi Taman Nasional Gunung Palung. Untuk mendukung inisiatif yang digagas oleh MSF ini, maka Bupati Kayong Utara mengeluarkan peraturan bupati untuk meningkatkan pelestarian di zona penyangga yang berbatasan dengan taman nasional. Peraturan tersebut mengalokasikan lahan untuk produksi beras untuk mendukung petani setempat, sekaligus sebagai upaya untuk menekan warga agar tidak melakukan kegiatan penebangan liar. Peraturan tersebut mendukung pengembangan ekowisata sebagai strategi rendah emisi untuk menyediakan berbagai sumber penghasilan alternatif bagi masyarakat setempat.

Staff IFACS Jakarta serta di kantor daerah bekerja sama secara erat dengan para penerima bantuan hibah dan subkontraktor selama Tahun ke- 4 dalam perumusan CCLA di seluruh desa pada berbagai lanskap proyek. Total 162 desa, dari 160 desa sasaran, sekarang telah menandatangani CCLA. Berbagai kelompok masyarakat saat ini telah mulai menerapkan isi kesepakatan ini di desa mereka, melakukan berbagai kegiatan pelestarian sebagai ganti atas bantuan perbaikan mata pencaharian yang difasilitasi oleh mitra hibah IFACS. Pengaturan ini mampu secara signifikan berperan dalam meningkatkan wilayah hutan yang berada di bawah perbaikan pengelolaan dalam lanskap IFACS. Diperkirakan sekitar 362.000 hektar hutan dan wilayah bernilai konservasi tinggi (HCV) lainnya yang tercakup dalam CCLA tengah dikembangkan. IFACS telah memastikan bahwa 32.000 hektar berada di bawah pengelolaan yang lebih baik sebagai akibat adanya keterlibatan masyarakat dalam usaha pelestarian. CCLA juga turut berperan secara signifikan dalam menumbuhkan kesadaran publik terkait isu perubahan iklim di berbagai desa di seluruh lanskap IFACS.

Prestasi yang berhasil dicapai IFACS sampai akhir Tahun ke-4 diringkas dalam tabel berikut.

TABLE 1. PENCAPAIAN IFACS SAMPAI TAHUN KE 4

| Indikator | Target Sampai Akhir Proyek | Capaian (Tahun 1) | Capaian (Tahun 2) | Capaian (Tahun 3) | Capaian (Tahun 4) | % Penyelesaian (Capaian vs Target) |
|---|------------------------------|-------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| #1 – Kuantitas manfaat CO2 per tahun dari perbaikan pengelolaan hutan, peningkatan upaya perlindungan hutan, dan kegiatan rehabilitasi hutan | 6,000,000 tCO ₂ e | 0 | 0 | 4,877,921 tCO ₂ e | 4,425,797 tCO ₂ e | 74% |
| #2 – Jumlah kabupaten dengan rancangan RTRW yang memuat rekomendasi Kajian Lingkungan Hidup Strategis (KLHS) | 11 kabupaten | 0 | 0 | 0 | 11 kabupaten | 100% |
| #3 – Persentase orang dengan peningkatan kemampuan untuk menerapkan prinsip-prinsip perencanaan ruang | 75% | 0 | 0 | 0 | 67% | 89% |
| #4 – Jumlah penerima manfaat ekonomi dari kegiatan pembangunan rendah emisi (LEDS) | 12,000 orang | 0 | 0 | 1,358 orang | 2,562 orang | 33% |
| #5 – Luas lahan (hektar) yang ada di bawah perbaikan pengelolaan sumber daya alam berkelanjutan | 3,000,000 ha | 0 | 0 | 1,464,498 ha | 1,016,736 ha | 34% |
| #6 – Jumlah desa dengan peningkatan kemampuan untuk beradaptasi dengan dampak perubahan iklim | 54 desa | 0 | 0 | 0 | 35 desa | 65% |
| #7 – Jumlah investasi yang dihimpun dalam USD dari sektor publik dan sektor swasta untuk kegiatan perubahan iklim, pelestarian, dan perencanaan ruang | USD 4,000,000 | 0 | 0 | USD 1,012,495 | USD 3,530,275 | 114% |
| #8 – Persentase peningkatan pengakuan dan pemahaman pemerintah, pemangku kepentingan dan masyarakat lokal di lanskap sasaran atas isu pelestarian, kehutanan, dan perubahan iklim | 50% | 0 | 0 | 0 | Diukur di tahun 2015 | Diukur di tahun 2015 |
| #9 – Jumlah forum multi pihak (MSF) yang beroperasi | 11 MSF beroperasi | 0 | 0 | 0 | 5 MSF beroperasi | 45% |
| #10 – Jumlah Infrastruktur Data Spasial (SDI) dengan peningkatan kemampuan untuk mengumpulkan, menganalisa, dan melaporkan data yang valid | 11 SDIs | 0 | 0 | 0 | 0 SDI | 0% |
| #11 – Jumlah kabupaten yang memiliki sistem monitoring yang berfungsi | 11 kabupaten | 0 | 0 | 0 | 1 kabupaten | 9% |
| #12 – Jumlah peraturan dan rencana yang dikembangkan untuk mempromosikan | 5 peraturan/rencana | 0 | 0 | 0 | 12 peraturan/Rencana | 240% |

| Indikator | Target Sampai Akhir Proyek | Capaian (Tahun 1) | Capaian (Tahun 2) | Capaian (Tahun 3) | Capaian (Tahun 4) | % Penyelesaian (Capaian vs Target) |
|---|------------------------------|-------------------|-------------------|---------------------|------------------------------|------------------------------------|
| pengelolaan sumber daya alam yang berkelanjutan | | | | | | |
| #13 – Jumlah entitas sektor swasta (konsesi) yang menerapkan Rencana Pengelolaan dan Monitoring Wilayah Konservasi (CMMP) | 15 CMMP diterapkan | 0 | 0 | 0 | 6 CMMP diterapkan | 40% |
| #14 – Jumlah Kesepakatan Kelestarian Alam dan Sumber Penghidupan (CCLAs) yang ditandatangani | 160 CCLA yang ditandatangani | 0 | 0 | 0 | 162 CCLA yang ditandatangani | 101% |
| #15 – Jumlah orang yang mendapatkan informasi dari USAID IFACS tentang isu konservasi hutan dan pemanfaatan lahan | 143,000 orang | 0 | 0 | 0 | 317,817 orang | 222% |
| #16 – Jumlah orang yang menerima pelatihan melalui dukungan USG tentang pengelolaan sumber daya alam dan/atau pelestarian keanekaragaman hayati | 3,500 orang dilatih | 0 | 250 orang dilatih | 2,941 orang dilatih | 5,135 orang dilatih | 238% |

BERBAGAI TANTANGAN IMPLEMENTASI

Sementara tahun ke 4 dimulai dengan ketidakpastian mengenai tanggal akhir kontrak IFACS, masalah ini akhirnya terselesaikan pada pertengahan Oktober 2013 dengan dilaksanakannya Modifikasi Kontrak (Contract Modification) 38. Selain rasionalisasi atas capaian/target dan sejumlah prasyarat untuk Rencana Monitoring Kinerja (PMP) yang lebih efektif, kontrak IFACS juga diperpanjang selama enam bulan. Secara signifikan, ini membuat IFACS mampu beroperasi secara penuh sepanjang tahun, dan untuk itu, diskusi rencana penutupan proyek ditunda hingga tahun depan.

Beberapa tantangan dalam implementasi yang dihadapi di tahun ke-4 termasuk:

- Banyak penerima dana hibah yang gagal memenuhi jadwal pencapaian yang ditetapkan sehingga menghambat pencapaian beberapa target. Ini tampaknya disebabkan oleh rencana yang terlalu ambisius yang dituangkan dalam kesepakatan awal. Pada kuartal ketiga dan keempat, IFACS bekerja sama dengan penerima dana hibah dan subkontraktor yang bersangkutan untuk melakukan penyesuaian dan sekiranya dibutuhkan, mengubah kesepakatan. Perpanjangan kontrak IFACS memungkinkan untuk menyelesaikan seluruh pekerjaan penerima dana hibah dan subkontrak sebelum Januari 2015.
- Staff IFACS dan mitra sedikit kehilangan waktu dan momentum tahun ini karena adanya pemilu legislatif dan pemilihan presiden. Selain itu, ditambah dengan hari libur keagamaan seperti Puasa Ramadhan, Idul Fitri, Natal dan Paskah yang mengarah pada pelambatan aktivitas. Karena pelambatan ini telah diantisipasi sebelumnya dalam Rencana Kerja, maka dampaknya dapat ditekan sekecil mungkin.
- IFACS mengalami kesulitan dalam menjaga keterlibatan sektor swasta sampai dokumen CMMP diselesaikan dan diimplementasikan, khususnya di Lanskap Papua. Meskipun ini

menghambat pencapaian beberapa target, namun staff proyek juga berhasil menyelesaikan tertundanya hal ini dan pekerjaan diharapkan akan dapat diselesaikan dengan memuaskan.

- Pekerjaan di Lanskap Mimika di Papua Selatan, terhambat oleh beberapa insiden kekerasan yang berakibat pada terjadinya ketegangan keamanan di ibukota Kabupaten Mimika, Kota Timika. Meskipun ini sering terjadi di Timika, namun intensitas ketegangan dan kekerasan yang terjadi relatif sangat tinggi pada kuartal terakhir tahun ke-4. Selain itu, terjadi peningkatan insiden malaria yang dialami staff IFACS dan mitra ketika mengadakan kerja lapangan di hutan bakau Mimika, yang merupakan sasaran utama proyek pelestarian.

PRESENTASI LAPORAN TAHUNAN IFACS

Laporan Tahunan ke-4 IFACS ditampilkan dalam dua bagian. Bagian pertama memberikan ringkasan kemajuan dalam empat komponen utama proyek dan berbagai kegiatan lintas pendukung selama tahun ke-4. Ini diikuti dengan bagian berikutnya dengan ringkasan detail mengenai kemajuan yang dicapai IFACS pada tingkat lanskap.

Lampiran pada akhir laporan menyertakan tabel yang menggambarkan kemajuan IFACS dalam mencapai hasil untuk mencapai target PMP pada tiap lanskap. Tabel Lampiran lainnya menyertakan perbaruan bagan staff IFACS dan tabel yang menunjukkan mitra Hibah, Subkontrak

IFACS YEAR 4 PROGRAM

COMPONENT 1: LAND & FOREST RESOURCE GOVERNANCE

IFACS initiatives to improve forest governance gathered full momentum in Year 4, with project MSF partners leading the development of SEAs and LCPs to integrate forest conservation and LEDS in spatial planning. IFACS achieved these advances through active engagement with district governments and local communities to foster collaborative approaches in reducing deforestation and greenhouse gas emissions.

Both the SEA-LEDS and LCP activities achieved significant results through training and capacity building of 1,400 government officials and MSF members to engage in SEA and LCP preparation. Bolstered by advanced GIS trainings in Year 4, increased technical capacity among district government staff contributed to successful SEA-LEDS development in 11 of the project's 13 focal districts. IFACS saw notable progress in MSF facilitation of SEA-LEDS and LCPs to ensure inclusion of forest conservation and LEDS principles in spatial plan development and future land-use practices.

Great strides were also made this year in leveraging local government funds for IFACS-led conservation initiatives. This was achieved through greater participation in the district's annual budget process and by linking community conservation proposals to various government forestry and climate change programs. Critical to fostering local political support for conservation initiatives, IFACS collaborated closely with MSFs to expand communications campaigns to promote public awareness of climate change and district government support for conservation and low-emission development. MTDs coordinated by MSFs brought together senior district government officials, village leaders and local NGOs) to formulate collaborative strategies for conservation. These regular meetings played a critical role in informing the various stakeholders on LEDS-based conservation and in garnering broad support for SEA-LEDS recommendations, leading to a successful participatory process during SEA public consultations. The SEA public forums proved highly effective in consolidating district government cooperation in integrating conservation and LEDS-based forest management principles to guide spatial planning.

Component 1 activities in Year 4 focused on the following objectives: (1) strengthening stakeholder engagement at the district level through active multi-stakeholder forums, (2) developing and integrating SEAs and LEDS in district spatial plans, (3) conducting capacity-building activities to support spatial data infrastructure (SDI) development, and (4) leveraging public funds to support and sustain improved forest and land-use management strategies beyond the completion of the IFACS project in March 2015.

PROGRESS IN YEAR 4

SEA-LEDS to Guide Spatial Planning

A top priority for IFACS efforts to improve forest management in the project focal districts remained focused on developing SEAs that prioritize conservation and low-emissions development to reduce carbon emissions across the IFACS landscapes. Required under Indonesian law to guide district spatial and development plans to promote sustainable development, SEAs are critical to ensuring the integration of forest conservation measures and carbon emission reductions in district spatial plans.

IFACS regional offices stepped up efforts this year to facilitate completion of SEA development work initiated in Year 3, working closely with MSFs and district SEA drafting teams (*Tim Penyusun*), and ending Year 4 with the completion of SEA-LEDS documents for 11 districts. Central to the SEA process, IFACS introduced spatial plan ‘optimum scenarios’ that provide an ideal future end-point for spatial planning to reduce GHG emissions from deforestation and peatland degradation. They help guide present conservation strategies of local government offices and assist in safeguarding priority areas from environmental damage. Optimum scenarios also aim to guide future revision of the spatial plans to achieve reductions in deforestation and greenhouse gas emissions. (See Table 2 for SEA-LEDS optimum scenarios for influencing the spatial plans in each IFACS focal district.)

SEA-LEDS Progress in Papua Landscapes

IFACS facilitation of SEA development in Papua’s Sarmi District introduced the district to effective approaches in achieving sustainable development, conservation, and climate change adaptation. SEA-LEDS activities facilitated by IFACS partner *Yayasan Inovasi Pembangunan Daerah* (YIPD) resulted this year in the first SEA document to be completed in the IFACS focal districts. Recommendations from the SEA were then incorporated in the district spatial plan (RTRWK) and medium-term development plan (RPJMD), with the district BAPPEDA adopting most of the SEA-LEDS recommendations in these plans, enacted under Sarmi District regulation PERDA No. 3/2013 RPJMD.

With large forested areas (about 45% of the 1.8 million-hectare total area of Sarmi) already zoned for protection and conservation, the IFACS-led SEA process has resulted in the district government allocating additional areas for conservation, including previously limited production forest (*Hutan Produksi Terbatas* or HPT) and “non-forest estate” (*Area Penggunaan Lain* or APL). In addition, BAPPEDA will develop strategic development plans for government agencies (*Renstra Satuan Kerja Perangkat Daerah*) using SEA-LEDS recommendations.

SEA-LEDS development facilitated by IFACS in Papua’s Mimika District has also had a significant impact, resulting in heightened awareness of forest conservation among district government staff and the introduction of sustainable approaches to land-use and development planning. Following ratification of the district’s spatial plan and completion of the SEA document, the district government used LEDS recommendations in the SEA to draft a district regulation mandating conservation of the extensive expanse of mangroves along the Mimika coastline. The SEA will also be critical in monitoring implementation of the district spatial plan.

SEA-LEDS Progress in Aceh Landscapes

In the project’s Aceh Landscapes, IFACS subcontractor YIPD has facilitated SEA development in the project’s three focal districts—Aceh Tenggara, Aceh Selatan, and Gayo Lues. While progress was slower than in Papua, all three districts have completed their SEA and are promoting SEA-LEDS recommendations through public consultations. Aceh Tenggara and Gayo Lues districts, which ratified their district spatial planning regulations in 2013, have agreed to use the SEA-LEDS recommendations in revising spatial plans. Significantly, the bupati of Gayo Lues has drafted a decree ordering all district agencies to refer to SEA-LEDS recommendations when issuing licenses under the current spatial plan guiding land-use policy in the district for the next 20 years. Aceh Tenggara District is reviewing its SEA document to inform policies related to GHG emission reductions. In Aceh Selatan District, completion of the SEA coincided with the spatial plan drafting process, and the district government was able to integrate most of the SEA recommendations into the spatial planning bill before its submission to the district legislature.

SEA-LEDS Progress in Kalimantan Landscapes

The SEA-LEDS process in the project's Ketapang and Katingan Landscapes, completed in the last quarter of Year 4, promoted strong ownership of SEA-LEDS by the MSFs and district governments in all six districts. This was demonstrated through local government financing of public consultations (as in Palangkaraya) and increased stakeholder participation as SEA development approached completion. While many district officials were initially hesitant to undertake this mandatory process, the SEA public consultations brought increased transparency and attracted welcome support from constituents. The public forums provided an opportunity for stakeholders in the SEA development process to urge their district governments to integrate SEA-LEDS recommendations into the spatial plan. The public forums also served as a platform for prioritizing forest conservation in district regulations currently under development. Participants had the opportunity to provide district agencies with critical inputs for spatial planning, such as spatial data validation; traditional land use rights; natural resource exploitation, including oil palm expansion and mining; and strategies to implement low-emission development to reduce deforestation and greenhouse gas emissions in their districts.

In Melawi District, more than 135 participants from all subdistricts, indigenous (*adat*) and religious leaders, district agencies, MSF representatives, and local media attended the final SEA public consultation. In Pulang Pisau, the SEA-LEDS drafting team used SEA-LEDS findings as a mandatory document to accompany the spatial planning bill in the next legislative assembly to be conducted in October 2014. In Kayong Utara, the SEA process enjoyed strong support from the district government, and the bupati has noted that the SEA document will be a critical tool in fostering collaboration with the provincial government on a conservation and LEDS-focused spatial plan.

Table 2 provides a detailed summary of significant SEA-LEDS impacts and optimum scenario recommendations for spatial plans in the IFACS focal districts. (It is important to note that according to Law Number 26/2007, revising spatial planning bills [RTRWK] to incorporate SEA-LEDS recommendations can be done only through academic drafts, land-use indicators and activities.)

Future Use of SEA-LEDS

IFACS will seek to ensure SEA-LEDS recommendations are applied in focal district policies, programs and plans during the final implementation phase of the project. IFACS will identify relevant policies, plans or programs (such as the mid-term development plan or strategic program of district offices) to be guided by SEA-LEDS recommendations and provide the methodology for this integration to local district governments. IFACS will also develop a protocol for transparent spatial planning monitoring that will aim to ensure adherence to SEA-LEDS recommendations. This is especially critical where spatial plans have already been ratified by a government decree. Even though areas may be under a land-use designation that could result in deforestation, the monitoring protocol can help to mitigate environmental impact in line with SEA-LEDS recommendations.

IFACS will also facilitate communication of these documents and processes at the national level to gain support from the Ministry of Home Affairs, Ministry of Forestry and Ministry of Environment.

During the final month of Year 4 (to be completed in the first quarter of the Final Work Plan) IFACS will start to facilitate government and MSF partners in the focal districts to integrate recommendations from the SEA-LEDS documents with those proposed in the Landscape Conservation Plans (LCP). Integration of these recommendations into a strategic position paper owned by multi-stakeholders reinforces proposals for improvements of the district spatial plans in the future to incorporate ambitious targets for forest and peatland

conservation, LEDS and reduced GHG emissions. In addition to impacting future district spatial plans, IFACS will facilitate focal district partners to share results at the provincial level, with the intent of incorporating district-level spatial plan achievements into provincial spatial plans.

TABLE 2. SEA-LEDS IMPACTS/RECOMMENDATIONS FOR SPATIAL PLANS

| Status of the Spatial Planning (RTRWK) | SEA-LEDS Recommendation (Optimum Scenario) | Impact on current spatial plans and potential for incorporating SEA-LEDS recommendations |
|---|---|--|
| Aceh Selatan | | |
| Draft Spatial Plan (Rancangan Qanun RTRWK) 2014–2034 | A change in spatial pattern plan (<i>pola ruang</i>) production zones (kawasan budidaya and transmigration area) to protected areas covering 6,500 ha | Draft spatial plan yet to be ratified. There remains potential for integrating the optimum scenario into a revision of the spatial plan proposed by the bupati. SEA-LEDS recommendations have already been incorporated into the academic draft (<i>Materi Teknis</i>) and indicative agency programs. |
| Aceh Tenggara | | |
| Final Spatial Plan Regulation (Qanun RTRWK No. 1/2013) | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (plantation and dry agriculture) to protected areas covering 1,260 ha | SEA-LEDS recommendations have been integrated into the academic draft and indicative agency programs. As the spatial plan has been ratified by the district parliament (DPRD), the land-use changes proposed in the optimum scenario can only be considered in future spatial plan revisions. |
| Gayo Lues | | |
| Final Spatial Plan Regulation (Qanun RTRWK No. 15/2013) | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (production forest) to protected areas covering 4,000 ha | As the spatial plan has been ratified by the district parliament (DPRD), changes can only occur in future spatial plan revisions. Optimum scenario recommendations have been integrated into the academic draft and indicative agency programs. |
| Melawi | | |
| Draft Spatial Plan (RAPERDA RTRWK) 2014–2034 | A change in spatial infrastructure plan (<i>struktur ruang</i>), especially an alternative route for provincial Nanga Pinoh to Tayap road. A change in spatial pattern plan (<i>pola ruang</i>), especially production zones according to the new decree of Forestry Ministry Number 936/2013. | The new alternative road route has been integrated into the academic draft of the spatial plan by adding a new map of the route from Nanga Pinoh to Tayap. The process of a change in the spatial pattern plan (<i>pola ruang</i>), especially the area for cultivation activities, will be conducted by the government law office in Melawi based on the new decree from the Ministry of Forestry. The changes will be integrated through agency indicative programs and activities to be implemented during the first five years of spatial plan implementation. |
| Ketapang | | |
| Draft Spatial Plan (RAPERDA RTRWK) 2014–2034 | A change in spatial pattern plan (<i>pola ruang</i>) for production zones (limited production forest (HPT), production forest (HP), conversion production forest (HPK) and other land uses (APL) into protected areas covering 209,000 ha | The status of the spatial plan is almost final and changes can only occur in future spatial plan revisions. SEA-LEDS recommendations have been integrated in the academic draft, particularly in article #1 (<i>Ketentuan Umum</i>) and articles concerning future spatial pattern plan change (inclusion of local protected areas). |

| Status of the Spatial Planning (RTRWK) | SEA-LEDS Recommendation (Optimum Scenario) | Impact on current spatial plans and potential for incorporating SEA-LEDS recommendations |
|--|---|---|
| Kayong Utara | | |
| Draft Spatial Plan (RAPERDA RTRWK) | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (production forest, plantation, agriculture, and settlement) to local protected areas covering 38,000 ha | <p>The status of the spatial plan is almost final and changes can only occur in future spatial plan revisions.</p> <p>Recommendations have been integrated into indicative programs for government agencies, including:</p> <ul style="list-style-type: none"> Updating data on the land inventory and ownership status Stipulation of zoning policy within the spatial pattern plan Stipulation of social/community forest at village level Stipulation of regulations for the private sector to allocate approximately 20% of its concession for conservation activities Development of an institutional body for conflict resolution in tenure issues |
| Palangkaraya | | |
| Draft Spatial Plan (RAPERDA RTRWK) | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (industrial area, tourism area, settlement, and other land use) to local protected areas covering 27,000 ha | <p>Recommendations have been integrated into the spatial planning bill (<i>Raperda</i>) especially for the social forestry area and a research and education forest in the buffer zone of Sebangau National Park).</p> <p>In addition, indicative programs for government agencies including:</p> <ul style="list-style-type: none"> Stipulation of social forestry policy and adaptive planning in Pager Subdistrict Stipulation of spatial planning monitoring policy Strengthen the participatory institution development in order to increase community participation in spatial planning activities |
| Katingan | | |
| Draft Spatial Plan (RAPERDA RTRWK) 2014–2034 | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (limited production forest) to protected areas (<i>hutan lindung</i>) covering 125,000 ha | <p>Approval from the Ministry of Forestry has not been granted for Central Kalimantan, so changes proposed by the SEA-LEDS were able to be integrated into the main text of the bill. These changes proposed to the Ministry of Forestry</p> <p>Policies and indicative programs for government agencies, include:</p> <ul style="list-style-type: none"> District regulation on riverbank protection and management (16,746 ha) Revitalization of degraded land through community participatory mapping |
| Pulang Pisau | | |
| Draft Spatial Plan (RAPERDA RTRWK) 2014–2034 | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (production forest, conversion production forest and plantation) to local protected areas covering 61,000 ha | <p>Recommendations have been integrated into the spatial planning bill (<i>Raperda</i>) and include the area of protected forest especially in secondary swamp forests.</p> <p>Recommendations have been integrated in indicative programs for government agencies, especially for activities related to restoration of scrub and secondary forest, and prioritizing</p> |

| Status of the Spatial Planning (RTRWK) | SEA-LEDs Recommendation (Optimum Scenario) | Impact on current spatial plans and potential for incorporating SEA-LEDs recommendations |
|---|--|---|
| | | additional local protected areas. |
| Sarmi | | |
| Spatial Plan Regulation (PERDA RTRWK No. 2 Tahun 2013–2033) | A change in spatial pattern plan (<i>pola ruang</i>) from production zones to protected areas covering 6,000 ha | IFACS was able to affect the spatial pattern in Sarmi and recommendations adopted into the final spatial planning regulation and map. |
| Mimika | | |
| Spatial Plan Regulation (PERDA RTRWK No. 15/2011) | A change in spatial pattern plan (<i>pola ruang</i>) from production zones (conversion production forest, <i>adat</i> areas and settlement) into protected areas covering 8,000 ha | SEA-LEDs recommendation will be integrated into the drafting process of the detail spatial plan (RDTRK Mimika) in 2015. As the spatial plan has been ratified by the district parliament (DPRD), changes can only occur in future spatial plan revisions. Optimum scenario recommendations have been integrated into the academic draft and indicative agency programs. |

The following maps of Pulang Pisau District shows the impact of SEA-LEDs in the Pulang Pisau District. Similar maps are available on the IFAC website www.ifacs.or.id

Figure 1. Map of Pulang Pisau showing existing draft Spatial Plan.

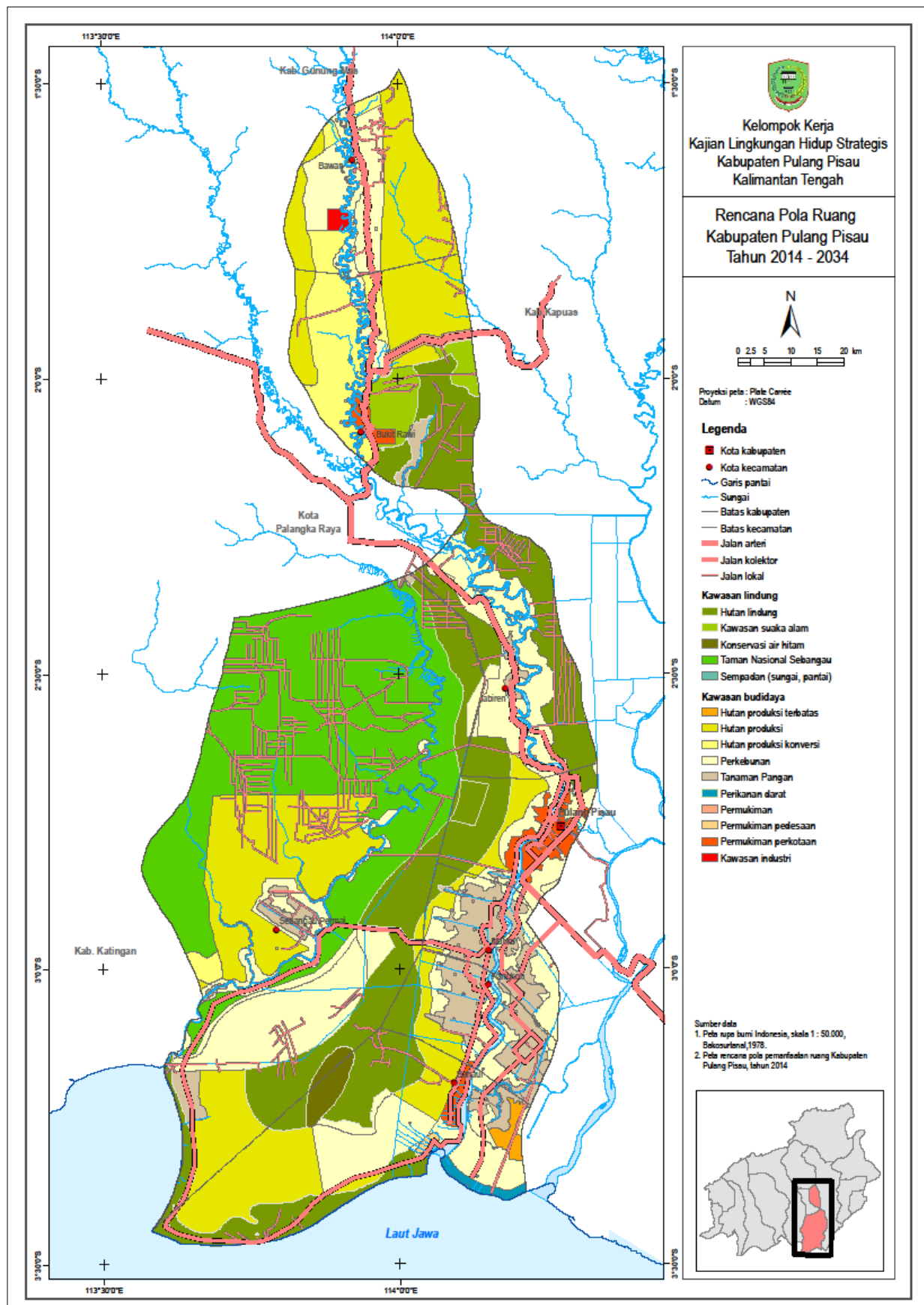
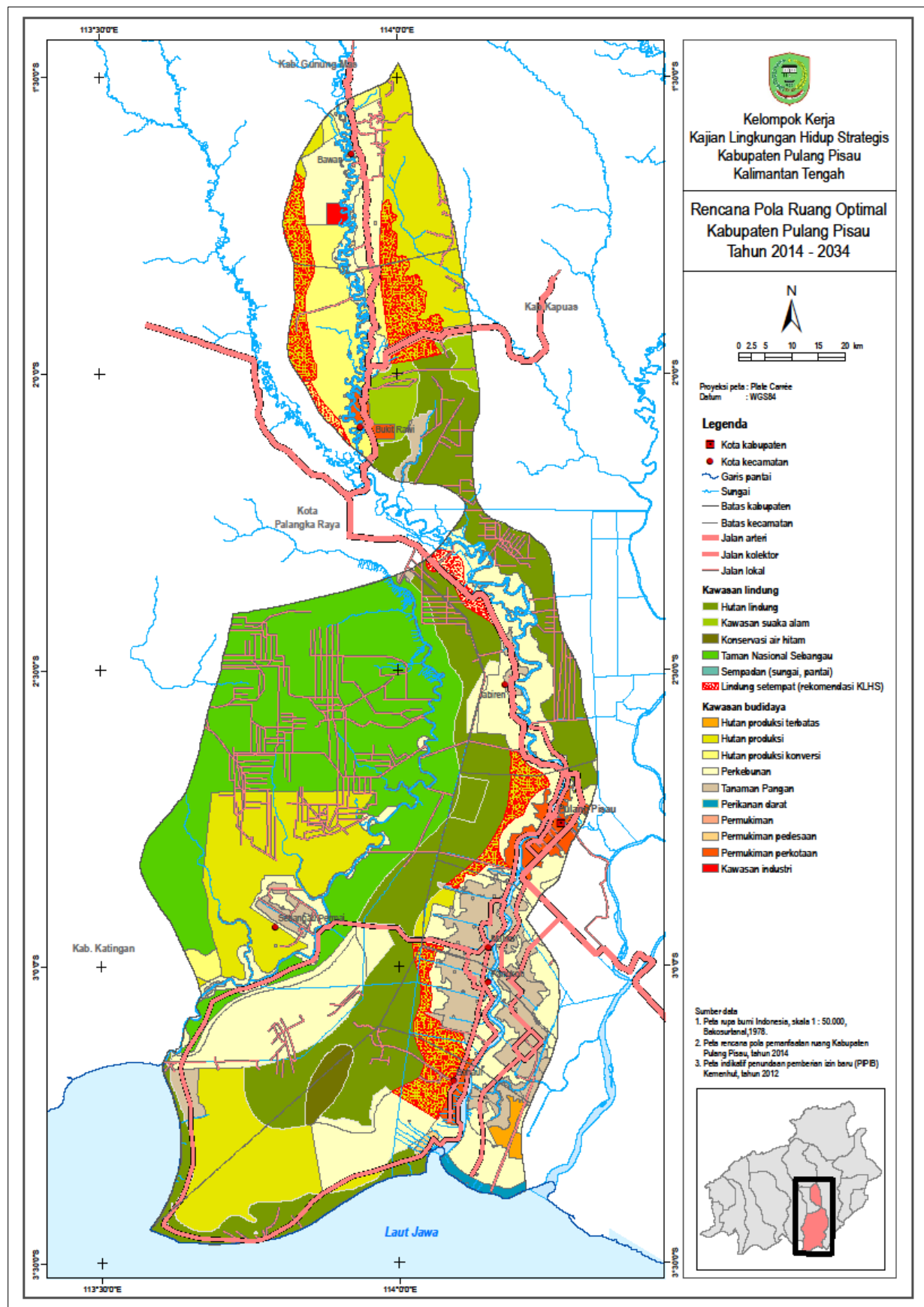


Figure 2. Map of Pulang Pisau illustrating the Optimum Scenario.



Landscape Conservation Plans

Mandated by Indonesian law, SEA development in the IFACS focal districts provided an incentive for district government agencies to engage but led to a focus on regulatory, rather than ecologically determined considerations. To broaden engagement of spatial plan discussion beyond government regulations, IFACS has augmented SEA-LEDS development with facilitation of MSFs to prepare LCPs based on an ecological assessment of HCVs in the focal districts. IFACS Forest and Biodiversity Advisor and technical specialists worked closely with MSFs to develop LCPs to guide development or revision of district spatial plans to better reflect IFACS objectives aimed at conservation, LEDS, and reduced GHG emissions.

LCPs have had a substantial impact in increasing conservation values and priorities among multi-stakeholder forums in the targeted 11 districts. The plans reflect conservation priorities defined by each MSF, according to the values of biodiversity, ecosystems, and environmental services that were otherwise missed through the SEA. IFACS facilitated MSFs in Timika, Palangkaraya, Pulau Pisau, and Katingan through a process to identify gaps in district spatial plans and to synthesize recommendations from the LCP and SEA process for final spatial planning recommendations in the district.

In the Katingan Landscape, LCPs have provided inputs on key conservation targets that have augmented the SEA. In other landscapes, LCPs have provided conservation blueprints for environmental planning agencies to address critical issues. LCPs have also influenced the Ketapang MSF to focus its work plan on HCV areas prioritized in the LCP.

In Mimika District, the process highlighted clear gaps between the LCP and the spatial plan optimum scenario proposed through the SEA. For instance, Mimika wetland forests eligible for conversion under an SEA optimum scenario were defined in the LCP as a critical ecosystem for the maintenance of coastal mangroves. Harmonized recommendations through both of these approaches will improve management of forests. Senior staff from the district Forestry Service (Dinas Kehutanan) have already indicated that, despite classifications within the spatial plan, a precautionary approach would be taken before allowing any conversion of these critical wetland forests.

The LCPs aim to influence district spatial planning bills (RTRWK) through several key entry points, namely by:

- i. Identifying and mapping areas of priority conservation targets (HCVs) in the spatial plan to maintain their values over the next 100 years. The table below summarizes the number of priority conservation targets and their total area in each LCP.
- ii. Recommending to the government spatial planning coordination groups (BKPRDs) and the SEA coordination groups (*Tim Penyusun*) to use the LCPs as a fundamental planning tool for developing RTRWK and SEA-LEDS.
- iii. Assisting MSF members in gap analysis, i.e., reviewing Optimum Scenarios/RTRWK against LCP priority conservation targets.

IFACS will continue synthesizing recommendations from LCPs and SEA-LEDS documents through the Final Work Plan period. The following table shows the LCP impacts and optimum scenario recommendations for spatial plans in the project's focal districts.

TABLE 3. LCP IMPACTS / RECOMMENDATIONS FOR SPATIAL PLANS

| LCP Focus District/Kota | Number & total area (ha) of PCTs required in RTRWK | LCP areas for Priority Attention (Focus Areas) in RTRWK | Progress on Gap Analysis between LCPs & RTRWK. |
|-------------------------|--|---|--|
| Aceh Selatan | | | |
| | 17 (292,863) | <ul style="list-style-type: none"> • Sikulat Watershed • Kluet Hulu/Tengah Subwatershed • Meukek Watershed • Sarap/Samuda Watershed • Tapak Tuan Watershed | Gap analysis in progress. Key concerns: <ol style="list-style-type: none"> 1. Parts of Trumon Singkil Nature Reserve with excellent forest are defined as Non-Forest Estate land (APL) in the RTRWK. 2. Pucuk Lembang Village Production Forest areas adjacent to Gunung Leuser National Park with excellent secondary forest are proposed as production forest and Non-Forest Estate land (APL) in the RTRWK. 3. PCTs, including cultural sites on the border of Gunung Leuser National Park, are overlapped by mining concessions in the RTRWK. |
| Aceh Tenggara | | | |
| | 25 (341,514) | <ul style="list-style-type: none"> • Lawe Loning Aman & Sigal-Gala Subdistrict • Lawe Mengkudu, Ketambe Subdistrict • Peseluk Pesimbe, Deleng Pokhkisen Subdistrict • Pulo Piku, Darul Hasanah Subdistrict | Gap analysis in progress. Key concern: <ol style="list-style-type: none"> 4. Protected forest (HL) in Leuser Subdistrict is proposed as development land (APL) in the RTRWK. |
| Gayo Lues | | | |
| | 16 (433,056) | <ul style="list-style-type: none"> • Penosan Sepakat Village area • Pantan Cuaca Subdistrict • Umeu Pan Forest Block | Gap analysis in progress. Key concerns: <ol style="list-style-type: none"> 5. Protected Forest in Rikit Gaib Subdistrict is proposed as Limited Production Forest (HPT) in RTRWK. 6. Protected Forest in Penosan Sepakat Subdistrict is proposed as development land (APL) in the RTRWK. |
| Ketapang | | | |
| | 11 (1,204,716) | <ul style="list-style-type: none"> • Sungai Putri Peat Swamp Forest Block • Pematatang Gadung Peat Swamp Forest Block • Pesaguan Subwatershed • Kayong Subwatershed | Gap analysis recently begun. |
| Kayong Utara | | | |
| | 9 (179,806) | <ul style="list-style-type: none"> • Peat Swamp Forest in Maya Island, Sebatang (Sepeti River) and Paduan River • Protected Forest in Mount Badung • Forest Blocks in Mount Sembilan, Sedahan, and Peramas • Meledang Subwatershed in | Gap analysis recently begun. |

| LCP Focus District/Kota | Number & total area (ha) of PCTs required in RTRWK | LCP areas for Priority Attention (Focus Areas) in RTRWK | Progress on Gap Analysis between LCPs & RTRWK. |
|--------------------------|--|--|---|
| | | Maya Island <ul style="list-style-type: none"> • Matan subwatershed • Tanjung Gunung Protected Forest | |
| Melawi | | | |
| | 12 (349,400) | <ul style="list-style-type: none"> • Hulu Sokan Subwatershed • Senempak and Poring Village Forests • Sayan Forest Block | Gap analysis recently begun. |
| Katingan | | | |
| | 21 (1,230,614) | <ul style="list-style-type: none"> • Riam Jerawi Upper Watershed • Utilization zone of Bukit Raya Bukit Baka National Park • Kelanaman River and Lakes • Sampang River and Lakes • Kalaru River and Lakes • Tasik Payaan River and Lakes • Mendawai and Katingan Kuala Swamp Forest | Gap analysis in progress. It shows strong concordance between the LCP and the RTRWK. |
| Palangkaraya Kota | | | |
| | 3 (81,105) | <ul style="list-style-type: none"> • Rakumpit Educational and Customary Forest • Nature Reserve (Cagar Alam)/ Bukit Tangkiling Nature Tourism Park • Trans Harawang connecting habitat corridor • Petuk Bukit Community Forest • All lakes in Palangkaraya City | Gap analysis completed. PCTs distribution similar with protected areas in RTRW. Gaps are found in some small areas, such as in areas for ecotourism (4.3%) and in APL (4.8%). |
| Pulang Pisau | | | |
| | 6 (341,470) | <ul style="list-style-type: none"> • Forest in Maluku and Pandih Batu Subdistrict • Jabiren & Taruna Village • Sebangau Kuala Subdistrict • Kahayan River • Lakes within Sebangau—Kahayan Kuala/Bagantung Lake in Tanjung Taruna village, Tanjung Pusaka Subvillage, Sabuah Lake in Tuwung Village, Penda Barania Lake in Kahayan Tengah Subdistrict • Village Forest within Pulang Pisau District • Customary Forest (<i>Hutan Adat</i>) in Jabiren Raya Subdistrict • Kalawa, Mantaren I, Gohong, and Buntoi village | Gap analysis completed. PCTs distribution similar with protected forests in RTRWK. Gaps identified are the following areas not provided protection in the RTRWK: (1) some 24,543 ha of swamp forest in Kahayan Tengah, (2) Dipterocarpaceae lowland forest (30,947 ha), and (3) swamp forest in Sebangau Kuala (32,506 ha). |
| Sarmi | | | |
| | 28 (1.12 million ha) | <ul style="list-style-type: none"> • Kapitau-Armopa coastal area • Taparewar-Bagaiserwar coastal area • Muar Watershed • Lake Theun and Pianfon | Gap analysis completed: It shows the LCP generally concordant with RTRW. However, the PCTs cover more area (1.12 million ha) than the RTRWK protected areas (811 ha). |

| LCP Focus District/Kota | Number & total area (ha) of PCTs required in RTRWK | LCP areas for Priority Attention (Focus Areas) in RTRWK | Progress on Gap Analysis between LCPs & RTRWK. |
|-------------------------|--|--|--|
| | | | The LCP recommends more peat swamp forest to be protected. |
| Mimika | | | |
| | (1.73 million ha) | <ul style="list-style-type: none"> • Coastal area of Keakwa and Timika Pantai Mangrove Forest and Peat Swamp Forest in the Mimika Timur Subdistrict • The coastal area around Kokonao. • Ayuka-Tipuka Mangrove Forest | Gap analysis completed: It shows the LCP <u>not</u> concordant with the RTRW, because the LCP identifies 1,731,826 ha of priority conservation targets, while there are only 1,497,638 ha conservation areas (<i>Kawasan Lindung</i>) in the RTRW. The analysis shows that there are seven areas of 317,691 ha of cultural importance (<i>Kawasan Budidaya</i>) in the LCP, but most of them are now classified as conversion forest (HPK), including some mangrove areas and considerable areas of swamp forest behind the mangroves. |

Improving Forest Governance through MSFs

Building on earlier progress achieved in establishing MSFs as key conservation partners in the project landscapes, IFACS devoted this year to supporting MSF implementation of charters and action plans to improve forest governance and advocate conservation measures to reduce deforestation and greenhouse gas emissions.

Vibrant MSFs in the two Aceh Landscapes—the Forum Masyarakat Uten Leuser (FMUL) and Forum Landscape Aceh Selatan (FORLAST)—held frequent meetings and engaged actively in IFACS activities throughout Year 4. FMUL took a leadership role in coordinating MSF “Monthly Thematic Discussions” that involved the participation of the *bupati* and other senior district officials, village representatives, and IFACS grantees and subcontractors to discuss forest conservation priorities in accordance with district regulations. FMUL discussions with the district Environment Agency won district support for development of a *qanun* to safeguard watershed protection, followed by funding allocation from the district annual budget to support watershed conservation initiatives. Strong commitment from MSF government and civil society members ensured successful implementation of project activities and a high sense of ownership in MSF achievements.

In Aceh Selatan, the re-established MSF, FORLAST, formalized its structure and action plans in a workshop at the beginning of 2014 that drew stakeholders from local communities, district government, private sector, and academia. Senior local government officials, including the vice-bupati for Aceh Selatan District and the Forestry and Plantation Agency secretary, have played critical roles in re-establishing the MSF and driving forward its activities. FORLAST action plans this year focused on developing the LCP, CCLAs, and climate change communication through religious sermons. FORLAST also played an active role in collaborations with IFACS partners on community livelihood development activities and collaborative approaches to improving management of Gunung Leuser National Park and restoration of the Trumon Corridor to expand orangutan habitat. Significant progress also was made in finalizing CCLAs to win the participation of local communities in reforestation activities and livelihoods training to discourage encroachment and illegal logging in adjacent forests.

In the project’s Kalimantan landscapes, the Kayong Utara MSF (*Rumah Ide*) in the Ketapang Landscape has grown into an enthusiastic forum and participated actively in IFACS communications activities to increase public awareness of climate change and deforestation issues. Regular MSF “sunset discussions” in Kayong Utara played a critical role in fostering multi-stakeholder collaboration in conservation efforts to improve forest management in Gunung Palung National Park and in adjacent villages. On the basis of these discussions, the bupati designed a district government vision to develop a “Green Conservation District” and issued a decree to promote conservation in the Gunung Palung National Park buffer zone. The bupati decree allocates land for rice production and encourages communities to develop their farms rather than participate in illegal logging activities or palm oil plantation work. The decree also supports the development of ecotourism as a low-emission strategy for providing an alternative source of livelihood for local communities.

In the Katingan Landscape, Central Kalimantan, MSF charters were finalized this year and emphasized capacity building for fire prevention and firefighting. The Palangkaraya MSF, the strongest MSF in this landscape, played a critical role in improving fire prevention strategies in the provincial capital through an extensive training program for community firefighting volunteers. In the last quarter of this year, the Palangkaraya MSF was actively engaged in the establishment of a 1,600-hectare pilot city park (*hutan kota*) for the plan to set aside 60,000 hectares of forest for a *hutan kota* in the provincial capital. With IFACS support, the MSF has collaborated with the district Forestry Office to hold monthly thematic discussions to develop a management body to administer the *hutan kota*.

In Pulang Pisau District, the MSF also began fire prevention activities this year, based on successful strategies implemented in Palangkaraya. The MSF also played a key role in coordinating collaborative efforts among MSF members and district offices, including the Environment Agency, Forestry and Plantation Office, and District Disaster Management Agency. After the MSF encouraged the bupati to develop a handbill (*surat edaran*) for forest fire prevention during the dry season in Pulang Pisau District, the MSF and these three institutions agreed to develop collaborative activities to improve forest and peatland fire prevention and management. MSF recommendations for strategies to promote sustainable rubber production in shareholder farms have received strong support from the district government.

In Papua, fragmented MSFs with memberships comprising mostly district government staff have required IFACS regional offices in these landscapes to lead implementation of conservation initiatives. In Sarmi District, Monthly Thematic Discussions facilitated by IFACS have succeeded in drawing large numbers of influential community members to attend and share valuable grassroots insights on key conservation and climate change issues. District government officials have found the MTDs to be an effective channel for introducing environment-related development activities and promoting a dialogue with their constituents. A recent survey carried out by the IFACS Monitoring and Evaluation team found the MTDs have prompted participants to reflect on climate change impacts and to engage in IFACS activities to develop climate change adaptation strategies. Some have started their own emissions-reducing activities such as recycling, avoiding the burning of trash and land, and planting trees in surrounding areas to protect against flooding and coastal abrasion to reduce climate change impacts on their communities.

Leveraging Public Funds for Conservation

IFACS has strived to strengthen the project's impact through leveraging of local government budget funds to increase district investment in conservation and LEDS initiatives. Increased co-financing in Year 4 demonstrated a surge in local government commitments to supporting IFACS principles and green development.

This year saw significant amounts of funding leveraged from government, community and private sector sources, totaling more than US\$3.5 million. About US\$3.3 million of this was allocated from district budgets to support initiatives on climate change, conservation, and spatial planning, encouraging evidence that climate change issues are becoming mainstreamed by local government in the IFACS focal districts. Successful collaborations with MSFs were key to securing funds from district government sources.

Almost 90% of the funds leveraged from government came from Aceh Selatan and Aceh Tenggara Landscapes. In Gayo Lues, IFACS' close engagement with the MSF contributed to the establishment of an Environment Agency. The agency head, also a member of the MSF, has acknowledged IFACS' role in this initiative. IFACS provided significant support to the office in drafting and issuing a district regulation (*qanun*) on environmental protection. Following this, the Gayo Lues District allocated more than US\$700,000 to support natural resource conservation, improvement of environmental quality standards, and the establishment of "green spaces" (*ruang terbuka hijau*). The district also disseminated regulations for forest fire prevention throughout the entire district.

In addition, the MSF in Gayo Lues was successful in advocating for funds to support a LEDS program for micro-hydro power development, amounting to more than US\$600,000 from the Mining and Energy Agency (*Dinas Pertambangan dan Energi*).

The MSF in Aceh Tenggara successfully advocated for conservation funds totaling US\$155,872 for the development of an environmental regulation for management of a green

space area (*penataan ruang terbuka hijau*) and other natural resource conservation programs. In Aceh Selatan, the MSF encouraged the district Forestry and Plantation Office (*Dinas Kehutanan dan Perkebunan*) to allocate more than US\$100,000 for a forest and land rehabilitation program.

In addition to funding for conservation, district governments have supported the expansion of IFACS programs for activities to build climate change resilience in local communities. Cacao and nutmeg programs in Aceh have gained new support for funding in Aceh, and virgin coconut oil production supported through an IFACS grant award to IPI has secure follow-up funding from Bappeda in Sarimi. In Mimika, Bappeda spent more than US\$80,000 in the last year to support the IFACS project through the provision of facilities for MSF meetings, discussions on mangrove conservation, and the development of a draft mangrove regulation.

IFACS activities related to spatial planning have also resulted in more funding allocated, including US\$149,000 for GIS capacity building in Aceh Selatan, US\$29,000 dedicated for improving district planning in Sarimi through SEA-LEDS recommendations, and US\$26,000 dedicated for reviving forest fire guard stations in Pulang Pisau. In Katingan Landscape, IFACS has completed a budget analysis of three districts and continued with an advocacy strategy aimed at increasing the budget allocation for forest protection, environmental management, and other conservation purposes. Results from this effort will be conducted in the Final Work Plan period.

IFACS also leveraged additional support in the form of non-cash contributions, such as office space for MSFs, patrol cars for collaborative forest monitoring, and seedlings for forest rehabilitation, all of which contributed significantly to the implementation of the IFACS project in the field.

GIS Training and Spatial Data Infrastructure (SDI) Development

IFACS has continued to provide GIS training and technical assistance to district governments, MSFs, and other stakeholders. Training has focused on developing mapping skills essential to support future spatial planning development and monitoring, updating SEA analyses, and providing decision makers with information necessary to guide sustainable development and land-use strategies. IFACS training programs have attracted broad participation from district governments, community leaders, NGOs and the private sector. Participants of GIS trainings offered in Gayo Lues, Melawi, Kayong Utara, Pulang Pisau, Palangkaraya, Sarimi, and Mimika were able to actively participate in the development of SEA-LEDS in these districts, providing critical spatial data and analysis required to finalize the SEA documents.

While SDI development in the IFACS landscapes has been slow to progress, IFACS has refocused SDI initiatives to prioritize six targeted districts—Gayo Lues, Pulang Pisau, Melawi, North Kayong, Sarimi, and Mimika—where there has been some response and support from district, including draft bupati decrees for developing SDI networks. Gayo Lues, Mimika, Sarimi and North Kayong Districts have all finalized their work plans and conducted workshops for SDI institution development. IFACS has identified consultants from the Centre for SDI Development in Gajah Mada University and has made recent progress in assessing the institutional development capacity for the targeted districts. Development of a strategic roadmap, including technical assistance required, will continue into the Final Work Plan period.

IMPLEMENTATION CHALLENGES

- The pedagogical approach of SEA-LEDs subcontractors significantly impacted the project's progress. Working at the district level, capacity development through formal lecturing and presentations during workshops has been less successful compared with informal working groups. IFACS has had to significantly augment subcontractor technical assistance through this approach.
- The political activities and district government's internal agenda, including bupati/walikota, legislative and presidential elections, and the bottom-up regional development planning (*musrenbang*) has delayed implementation of SEA-LEDs activities that request the full engagement of government officials and staff.
- SDI development has not shown significant progress during Year 4. The link between improved GIS capacity and SDI development has been difficult to establish. While local stakeholders are very keen to receive training in GIS, its application for better governance through accurate spatial data dissemination has been more difficult to convey. Institutional development, including the roles of the SDI members, has yet to crystallize, and GIS training skills remain under-utilized. Data regarding forest conditions and land-use conversions, such as expansion of agriculture and plantations, is not readily available from district agencies. Additional GIS Training is needed for members of emerging SDIs to improve operational capacity.

PRIORITY ACTIVITIES FOR COMPONENT 1

- Synthesize SEA-LEDs optimum scenario recommendations and LCPs to ensure comprehensive inputs for the future improvement of district spatial plans in IFACS-targeted landscapes
- Disseminate final SEA-LEDs documents to all relevant stakeholders, including district Bappeda, Forestry Office, Environmental Office, concessionaires, NGOs and community leaders
- Conduct final SEA public consultation in Katingan Landscape
- Complete SDI development. IFACS will continue to collaborate with PPIDS from Gajah Mada University to accelerate performance of SDI networks in six targeted focal districts (Gaya Lues, Pulang Pisau, Melawi, North Kayong, Sarmi, and Mimika).
- Design methodology for monitoring district spatial plans and spatial development
- Document lessons learned from project implementation in SEA-LEDs and MSF development

COMPONENT 2: FOREST MANAGEMENT & CONSERVATION

IFACS activities in Year 4 achieved significant advances in improving the management of forest resources across the IFACS landscapes through ongoing and new initiatives. Component 2 activities, implemented largely through grants and subcontracts, focused on strengthening the conservation of forests and peatlands, safeguarding biodiversity, and maximizing community, government and private sector partnerships to achieve results.

Reforestation activities restored degraded areas in buffer zones surrounding Gunung Palung National Park in Kalimantan and Gunung Leuser National Park in Aceh. IFACS initiatives to boost engagement among a broad range of stakeholders to improve protections for these national parks led to collaborative management and patrols. In Papua, conservation efforts to protect an extensive stretch of mangroves along the Mimika coastline gained significant momentum during Year 4, bringing together a broad coalition of stakeholders. Under guidance from USAID, IFACS initiated activities this year to promote collaborative management of Cyclops Nature Reserve in Jayapura, Papua. Progress also was made in finalizing CCLAs in forest-dependent villages bordering national parks and other protected forest areas.

Critical to this progress was IFACS' continued partnerships with the private sector to develop CMMPs in natural forest concessions. Conservation efforts also targeted small forest concession holders in the Mimika and Sarmi Landscapes.

PROGRESS IN YEAR 4

Forest Ecosystem Restoration

Gunung Leuser National Park

IFACS grantee Yayasan Orangutan Sumatera Lestari-Orangutan Information Center (YOSL-OIC) and subcontractors Yayasan Leuser International (YLI) and Forum Komunikasi Pekerja Sosial Masyarakat (FKPSM) have cultivated a successful partnership with Gunung Leuser National Park authorities to foster multi-stakeholder cooperation on conservation of this "protected forest" area.

Training in conservation best management practices implemented by YOSL for seven national park staff management subsections in the SPTN III Wil. Blangkejeren section is expected to provide improved management to some 248,000 hectares of forest in the park. YOSL-OIC has also facilitated completion of forest management plans in these subsections, defined priority areas for community wildlife patrols and provided patrol training to 72 national park staff community volunteers, district forest rangers, and police. This collaborative effort has contributed to improved communication among national park staff, DISHUTBUN Gayo Lues, and the Gayo Lues Police Department to strengthen enforcement of regulations to reduce illegal logging, poaching, and farming encroachment in Gunung Leuser National Park. Improved communication among these stakeholders has led to the development of a collaborative operational body (*Kerja Sama Operasional*) to maintain patrols in the future.

Trumon Corridor

Notable progress was made this year in the restoration of the Trumon Corridor, a 2,700-hectare wildlife corridor between Gunung Leuser National Park and Singkil Swamp Sanctuary to safeguard and expand orangutan habitat, which have come under increasing threat from agricultural expansion and logging activities. YLI has submitted a conservation management action plan to push for effective management of the Trumon Corridor area. The plan is now being used to urge the government to strengthen the conservation status of

the corridor. YLI has also led reforestation efforts in the Trumon Corridor and is working with local farmers to cultivate tree seedlings for replanting in degraded areas. Elephant patrols set up and trained by FKPSM have been effective in discouraging wildlife crime and illegal logging activities in the Trumon Corridor. (See page 75 for additional details on Trumon Corridor progress.)

FKPSM also supports livelihood development to offer alternatives illegal logging activities, including an ecotourism strategy currently being socialized with the district Department of Tourism and Forestry and a fisheries training project with local villages.

Gunung Palung National Park

IFACS initiatives to protect Gunung Palung National Park in West Kalimantan continued this year through a grant to Yayasan Alam Sehat Lestari (ASRI), which operates a forest guardian program, the Kelompok Sahabat Hutan (SAHUT), comprising patrol staff from the forest police (POLHUT) and communities bordering the national park. The SAHUT project has gathered momentum and attracted an additional five villages this year. IFACS is also working with the national park authorities, district forestry office, the Ministry of Forestry's regional Conservation of Natural Resources Office (BKSDA), and POLHUT to foster a collaborative approach to strengthening institutional structures for ensuring improved management of Gunung Palung National Park. A law enforcement training workshop in July 2014 facilitated by IFACS in Sukadana, West Kalimantan, brought together key stakeholders who expressed strong support for collaborative management to increase protections for the park. IFACS, ASRI, JIKA, and MSF members conducted numerous meetings this year to strengthen this collaboration. ASRI has signed a formal cooperation agreement with the park authority to develop an Incentive-Based Conservation Health and Community Empowerment Program, and two workshops were held to plan for training to improve capacity of stakeholders to advance this program in the final months of IFACS implementation.

Cyclops Nature Reserve

In Year 4, IFACS identified and mobilized key stakeholders to support development of a conservation management plan for the Cyclops Nature Reserve in Papua. Despite its status as a "Strict Nature Reserve," Cyclops faces multiple threats from encroachment, illegal logging, and illegal mining that threaten its biodiversity and provision of water services to communities in the Jayapura, Abepura, and Sentani areas. IFACS conducted a threat analysis and worked with the Ministry of Forestry BKSDA in Abepura to strengthen joint patrol activities involving local communities and BKSDA rangers.

Orangutan Conservation

A subcontract to *Forum Orangutan Indonesia* (FORINA) has forged strong collaboration between communities and other stakeholders, including the Ministry of Forestry, on conservation of orangutan habitat as provided in the National Orangutan Action Plan. FORINA has developed an interactive web-based GIS map of the distribution of orangutan populations in Indonesia, based on records gathered over the last 10 years (<http://forina.or.id/maps2/>). FORINA has also expanded the population of the orangutan database with information from libraries and unpublished reports and research and has submitted eight guides to manage key threats to orangutan populations.

Activities to develop community-based protection of orangutan forest habitat around Ketambe, Aceh Tenggara, continued in collaboration with the OIC, local communities, the Gunung Leuser National Park Authority, and local tourism operators. FORINA also facilitated collaborative management of forest around the Rawa Singkil Nature Reserve in Aceh Selatan, in collaboration with Yayasan Leuser International, the BKSDA and local communities. In West Kalimantan, FORINA worked on the collaborative management of protected forests of Padu Banjar Village in Kayong Utara District with village leaders,

Yayasan Palung, MSF members, and the district's forestry and tourism departments. This year, FORINA trailed the translocation of five orangutan displaced by oil palm development to a rehabilitation forest area located inside the ecosystem restoration concession of IFACS partner PT Rimba Makmur Utama.

An IFACS subcontract to the Borneo Orangutan Survival Foundation (BOSF) is working to close 38 canals that are draining peatlands in a 300,000-hectare area known as the Mawas, in Central Kalimantan. Preventing peatland draining will reduce significant amounts of carbon emissions caused by drying peat and will help protect orangutan habitat in the region's peatlands. This year BOSF also conducted education and outreach activities on biodiversity and peatland conservation for communities in Katunjung, Lapetan, and Taburu Villages. The subcontract to BOSF continues to support community patrols to monitor the Mawas peatland and training programs on HCV mapping and law enforcement in collaboration with the district Wildlife Protection Agency.

Mimika Mangrove Conservation

One of the most focused and critical conservation initiatives led by IFACS is the conservation of 250,000 hectares of mangroves and freshwater swamp forests along the Mimika coastline and inland river system in southern Papua, which contain an estimated 912 million tons of carbon. The success of IFACS activities here will determine the capacity of coastal communities in this landscape to adapt to climate change and mitigate its impacts.

Carbon stock assessments and mapping activities by the US Forestry Service and University of Papua led to the establishment of a Mimika Mangrove Working Group (MMWG) to develop a collaborative management plan for the area. The plan incorporates input from local and provincial government, private sector, and civil society representatives to promote biodiversity conservation, climate change adaptation for coastal communities, and climate change mitigation through reduced carbon emissions.

The Mimika Mangrove Working Group has gained significant momentum during Year 4. It widened its stakeholder base to include greater representation from the subdistrict government and indigenous community and collaborated closely with the Mangrove Action Plan (MAP), an IFACS subcontractor. IFACS and MAP are collecting and analyzing field data for development of a database to produce a Mimika Coastal Wetlands Atlas and to refine the Mangrove Management Plan. The US Forest Service and staff from the University of Indiana and Universitas Negeri Papua have also mapped a large area of the Mimika mangroves and associated swamp forest, including analysis of carbon in 144 soil core samples.

MAP has completed socioeconomic and ecological resilience assessments for 13 Mimika villages and conducted the first phase of the assessment of the potential for sustainable, industrial-scale development of mangrove and swamp forest commodities. This included exploring industrial-scale exploitation of mangrove seeds (*Avicenia spp.* and *Brugiera spp.*) for flour, and of mangrove palm (*Nypa fruitcans*) for production of palm sugar or ethanol. The main outcome of this assessment was the development of a decision-making model to serve as a tool to assist the MMWG in assessing costs, benefits and risks associated with various natural resource exploitation options.

Also this year, MAP led a comparative study to Sulawesi for 24 members of the working group to explore government and community initiatives to protect mangrove ecosystems. Further study tours in Bali were led by the government of Mimika to study regulatory and institutional arrangements for mangrove management.

Private Sector Best Management Practices

Conservation Management and Monitoring Plans

IFACS achieved notable progress this year in improving conservation management by private sector concessionaires in the project landscapes. Working with our portfolio of 11 natural resource concessions, IFACS subcontractors facilitated the development of CMMPs aimed at increasing protection of HCVs in the concessions.

IFACS subcontractor Re. Mark Asia has developed CMMPs in seven concessions, and Daemeter in four concessions. This year, two CMMPs were completed in two natural forest timber concessions (PT.SBK Tontang and PT. Bina Balantak Utama) and one ecosystem restoration concession, PT Rimba Makmur Utama.

The three companies from Alas Kusuma group have systems in place for conservation and have begun to implement CMMP recommendations. However, at present, many timber companies are under financial strain that has made the mobilization of resources needed for conservation difficult. In addition, illegal mining is causing some forest loss in the PT Wanasokan Hasilindo Concession. Five CMMPs are being developed and will be finalized in the Final Work Plan period.

IFACS grantee POKKER-SHK conducted CMMP training for 30 community members and village leaders in four villages in Kahayan Subdistrict, Pulang Pisau District in Central Kalimantan. The training aimed to build community capacity to work with other stakeholders to establish CMMP documents. In addition, POKKER-SHK's four assisted villages in Pulang Pisau District also received Forest Village Management Rights (*Hak Pengelolaan Hutan Desa*) from the Central Kalimantan governor. The grantee also worked closely with the Forest Village Board to provide technical assistance for the board to engage effectively with the district and provincial government on policy and budget management.

Reduced-Impact Logging

Subcontractor Tropical Forest Foundation (TFF) has completed reduced-impact logging (RIL) training for four partner natural resource concessions—PT Pangkar Begili and PT Sari Bumi Kusuma-Tontang (West Kalimantan), and PT Bina Balantak Utama and PT Wapoga (Sarmi). This brings to a conclusion all RIL training in nine timber concessions during the last two years. TFF is currently auditing the training programs, and initial audit results of two companies show improved forest management in these concessions where RIL is being implemented. This has also been confirmed by IFACS evaluations.

Engaging the Private Sector in Biodiversity Conservation



A USAID IFACS conservation training program is showing timber and oil palm companies in West and Central Kalimantan how to monitor biodiversity in their concession areas to safeguard wildlife habitats. In a region under increasing pressure from timber logging operations and expansion of oil palm plantations, engaging the private sector in conservation efforts is critical to achieving significant gains in reducing deforestation and carbon emissions.

Implemented through a subcontract with the Zoological Society of London (ZSL), training courses offered to IFACS timber and oil palm concession partners are instructing concession management and staff on biodiversity monitoring techniques to support implementation of CMMPs. Using both classroom-based lessons and field training activities, ZSL trainers introduce companies to basic conservation concepts related to protecting HCV forests, conserving biodiversity, and reducing carbon emissions.

Key to implementing these concepts is a new data collection and monitoring tool called Spatial Monitoring and Reporting Tool (SMART), which is used to measure, evaluate and improve wildlife protection patrols and site-based conservation activities. Designed to increase accountability and improve forest management, SMART includes a desktop application, implementation manuals, and training materials to establish a biodiversity monitoring and reporting framework for effective HCV management and biodiversity conservation. SMART enables concession patrols to conduct simple data analysis, present monitoring results, and streamline reporting through the use of maps, tables, and graphs.

Companies who have received SMART training in IFACS partner concessions are in the process of revising their concession patrol techniques and CMMPs as a result of the training. The PT PAS Sustainability Manager said the company has established a field-level task force to implement a new patrol system. A PT. Bumitama Gunajaya Agro manager said concession staff were applying the field techniques they learned in the training to monitor orangutan nest surveys for conflict mitigation purposes. A concession manager for the PT. Alas Kusuma Group said that as a result of the training, a main access point for illegal loggers had been identified and subsequently blocked off.

Sustainable Forest Management

Work with two concessions that were unable to continue RIL training due to licensing difficulties have been replaced with a workshop series on Sustainable Forest Management (SFM) for smallholder forest concessions in Mimika and Sarimi. These were delivered successfully in Year 4.

SFM workshops were also held in Ketapang and Melawi Districts and Palangkaraya municipality to share information on sustainable harvesting approaches. About 75 stakeholders attended and were introduced to the following: (1) SFM principles of “forest welfare,” biodiversity conservation, and protection of environmental services provided by forests; (2) RIL approaches to support SFM; (3) the forest certification process as an integral part of forest sustainability; and (4) the role of communities in monitoring SFM. IFACS also presented information on the LCP concept as a tool to ensure HCV forests are recognized and conserved beyond the life of the concession.

Community Best Management Practices

Community Conservation and Livelihood Agreements

IFACS Jakarta and regional staff worked closely with grantees and subcontractors to complete development of CCLAs in villages across the project landscapes. A total of 158 community villages, out of 162 targeted villages, have now signed CCLAs (79 in Aceh; 22 in Ketapang; 20 in Katingan; 32 in Sarimi; 5 in Mimika). IFACS partners and MSFs are still in the process of facilitating additional CCLAs in other communities.

Communities have begun to implement agreements in their areas, conducting conservation activities in exchange for community livelihood support. This has contributed significantly to the forest areas under improved management in the IFACS landscapes. To date, an estimated 362,000 hectares of forest and other high conservation value (HCV) areas are covered by CCLAs. IFACS evaluations are under way to assess the effectiveness of CCLAs and whether communities are adhering to their conservation commitments. To date, IFACS has verified 32,000 hectares of forest are under improved management by communities.

CCLAs have also contributed significantly to growing public awareness of climate change issues in the IFACS landscapes. Developing these conservation agreements with communities has involved extensive discussions about climate change issues and forest management that have expanded support for CCLAs beyond the target villages.

In Aceh, the MSFs in the project focal districts have taken leading roles in promoting CCLAs and are seen as a vital partner to sustain CCLAs beyond the life of the project. In Ketapang Landscape in West Kalimantan, grantees promoting CCLA have focused more on revitalizing traditional secondary forest through *tembawang* (fruit/timber-based agroforestry system) approaches, such as rubber development and organic farming. Communities are enthusiastic about managing *tembawang* by practicing local wisdom, combined with forest conservation for sustainable function and benefits. In Katingan Landscape in Central Kalimantan, the CCLAs have been an effective tool in promoting forest conservation and firefighting strategies among communities that are keen to boost household earnings by improving their rubber plantations’ productivity.

In Papua, CCLAs are being developed with a focus on strengthening indigenous people’s rights through sustainable forest management. CCLAs in Sarimi District prioritize the protection of customary forests, and participatory mapping is utilized as a critical CCLA tool to identify and locate HCV areas. In Mimika District, IFACS and grantee partners have facilitated CCLA development emphasizing the protection of indigenous ancestral lands and the conservation of the district’s world-class mangroves that play a critical role in the culture and economy of local communities.

IFACS also collaborated with the Ministry of Forestry in a national workshop in Jakarta to promote CCLAs as an effective tool for supporting livelihood development and sustainable forest management. The workshop emphasized the role of community participation in ensuring effective conservation and climate change adaptation initiatives. Workshop discussions shared experiences and lessons learned on CCLA development with relevant stakeholders. About 120 people participated, including representatives of government agencies, NGOs, IFACS partners, and community representatives from the project landscapes. Participants urged local government to incorporate CCLA in spatial planning and village development planning and to integrate CCLA development into relevant government programs, including forestry, agriculture, environmental, Bappeda, and community empowerment programs.

Community-based Logging

A subcontract with TFF to review the sustainability of small forest concession (IUPHHK-MA) operations in Mimika has resulted in several key recommendations to the Mimika District government to harmonize IUPHHK-MA regulations with other related forestry regulations, strengthen administrative control of concessions, and increase technical competence of concession holders through training on sustainable forest practices. A workshop with TFF to harmonize IUPHHK-MA with existing regulations was attended by district Forest Department staff, community members in the Mimika smallholder Logging Entrepreneurs Association (HIPKAL), and several representatives from the Sarmi District. Subsequently, TFF conducted training in community-based sustainable forest management for about 40 current and potential concessionaires in Timika and Sarmi.

WWF has also initiated community-based logging in two cooperatives. The legal entities of cooperatives have been developed, but permits have not yet been issued because the land designated by communities is located in “protected forest” areas.

Climate Change Vulnerability Assessment and Action Plans

A subcontract with FIELD developed climate change adaptation plans for 90 target villages across six IFACS landscapes (excluding Asmat and Mamberamo Raya). The action plans aim to increase awareness and understanding of climate change to strengthen community resilience to climate change impacts. Implementation of CCVA and action plans, known in local villages as *Rencana Aksi Perubahan Iklim* or RAPI, have been initiated in 76 villages this year. (See Table #4 below).

FIELD conducted training for 18 facilitators and regional workshops across the IFACS landscapes to promote support for RAPI from local government and other stakeholders. RAPI activities were successful in generating funding support for village action plans in the Aceh regions. The village of Lhok Rukam in Aceh Selatan purchased land to create a nutmeg tree demonstration area in connection with RAPI planning activities there. PNPM is supporting activities in three villages—Pulo Piku, Kute Bukit and Ujung Baru—as a result of RAPI’s planning efforts in Aceh Tenggara.

A contract amendment in January developed 82 follow-up activities based on the community action plans. Now in the process of implementation, these follow-up activities will be completed in October 2014. Emphasis of RAPI activities implemented are described in the landscape sections.

TABLE 4. RAPI ACTIVITIES IMPLEMENTED

| Region | Activities | Villages |
|-------------------|------------|----------|
| Aceh Selatan | 21 | 19 |
| Aceh Tenggara | 19 | 19 |
| Kalimantan Barat | 16 | 15 |
| Kalimantan Tengah | 11 | 11 |
| Sarmi | 15 | 12 |
| Jumlah | 82 | 76 |

IMPLEMENTATION CHALLENGES

- Gaining commitment from the members of the MSFs to utilize the background information and analysis prepared by IFACS that will support the review of their district spatial plans is not something that can be forced. It will depend on the success of IFACS regional staff to encourage these reviews and then the quality of the local facilitators.
- The Alur Keujrun reforestation project in Aceh Selatan, to be directly implemented by IFACS, had to be canceled because the staff person in charge of this project has been ill. Recent elections continued to cause delays in advancing the project, and flooding damaged the reforestation site.
- FIELD was unable to complete its RAPI action plans in six Mimika villages because of tribal conflicts.

Participatory maps were processed in the village of Marpunge in Gayo Lues by CCLA facilitators and IFACS Aceh staff, but the CCLA could not be completed because of internal village conflicts.

- Several PT Daemeter workshops in the PT Bina Balantak Utama Raya concession, Sarmi, were canceled due to the unavailability of concession staff. These workshops are critical to complete the identification of HCV threats and solutions to abate such threats with concession staff and other stakeholders. Re.Mark Asia was unable to conduct its CMMP study in PT Wapoga Mutiara Timber Unit 1 Concession, Sarmi, because permission from the company was not forthcoming. This problem was overcome late in the year, and permission has again been granted for that work to commence early next year.
- Collaborative agreement with land managers, such as the national park or forest conservation units, has not been enacted as either communities or agencies were reluctant to build formal collaboration. Issues include unclear boundaries between conservation forest and areas that people can manage, and areas managed for generations within national park boundaries more recently established.
- Mapping of some important areas containing HCVs has built community awareness of the importance of protecting those areas for their future livelihoods. That has built commitment of community to voluntarily conserve those areas. However, on the other side, external threats against those important areas still exist, mostly expansion of estate and other business such as mining or public infrastructures. In relation to these threats, during the national workshop on CCLA, it was recommended that IFACS and its partners need to promote CCLA to be integrated in spatial planning at district level as well as mid-term development planning at village level (RPJMDes).

PRIORITY ACTIVITIES FOR COMPONENT 2

- Completion of the CMMP development with private-sector concession partners
- Monitoring and evaluation of CMMP implementation (including RIL audits)
- Monitoring CCLA to evaluate if agreements are adhered to by communities to conserve HCV and improve management of forests
- Promotion of CCLA integraion into spatial plans at the district level and in village development plans, as a tool to encourage LEDS initiatives delivered by district government agencies
- Develop of a draft collaborative management plan for Cyclops Nature Reserve, in collaboration with district government, NGOs, and university and community stakeholders
- Complete pilot projects for CCVA and action plans, conduct regional and national workshops to expose lessons learned and value of the RAPI approach to climate change adaptation, and explore funding opportunities to sustain action plans and pilot initiatives past the life of the project
- Complete the BOSF contract blocking drainage canals in peat and provide additional training in three Mawas villages
- YLI will complete its subcontract with an inventory survey of critical orangutan habitat in the Trumon Corridor, and will use this to support the proposed reclassification of the area for improved protection status.
- Finalize establishment and improved capacity of the MMWG and publish its management plan
- YOSL-OIC will conclude collaboration and training with Gunung Leuser National Park's SPTN III in Blangkejeren to improve the effectiveness of community forest patrols.

COMPONENT 3: PRIVATE SECTOR, LOCAL ENTERPRISE & MARKET LINKAGES

During Year 4, IFACS invested heavily in improving smallholder livelihoods and market linkages with forest-dependent communities. Activities were based on LEDS strategies aimed at reducing greenhouse gas emissions and increasing climate change resilience in the IFACS landscapes.

A grants initiative and expansion of subcontracts in Year 4 to non-governmental organizations supported a number of development projects aimed at bringing economic benefits to more than 13,000 people in communities bordering protected forest areas, buffer zones, and production forests. IFACS livelihood development activities aim to stimulate local economies through the promotion of livelihoods that have no harmful environmental impacts on forests zoned for protection and other high conservation value areas.

Most communities receiving livelihood development support from IFACS were asked to develop and publicly sign a CCLA, which obliges communities to become better environmental stewards in managing their resources and recognizing and protecting high conservation value areas (see Component 2).

PROGRESS IN YEAR 4

Improving Livelihoods for Forest Communities

Best Agricultural Practices

The Good Agricultural Practice (GAP) and Good Environmental Practice (GEP) training implemented by Swisscontact Indonesia Foundation (now known as *Yayasan Sahabat Cipta* or YSC) completed the first phase of its program, Cocoa for Better Livelihoods and Ecosystem (CocoBest), which trained 1,000 cacao farmers in sustainable farming methods to increase yields and income, as an alternative to agricultural expansion into forested areas. IFACS has extended the YSC subcontract, and the CocoBest program is now working to upgrade the knowledge and farm management capacity of 2,400 farmers in the IFACS Aceh Tenggara and Aceh Selatan Landscapes.

CocoBEST field surveys have found that within three months of the CocoBest training, 75% of the trained farmers were applying GAP on their farms, with a 91.3% and 95.7% rate of adoption for pruning and fertilization, respectively. These two practices alone can lead to greatly increased output and reduction in the incidence of pest and disease and yield increases of 30–50% within the first six months of adoption.

The same survey found a very high adoption rate of GEP: 88% of farms are now integrating mixed cropping methods; 76.3% showed improved conservation of soil and water; and 80% were implementing integrated pest management (IPM) and reducing pesticide use. A second YSC field survey found that adoption levels of GAP and GEP has increased over time after training.

Also this year, IFACS concluded its cocoa training program in Sarmi District in Papua. Implemented through a subcontract with Sustainable Trade Consultants (STC), the training used a holistic strategy for reviving the cocoa industry in Sarmi. STC surveyed a sample of 243 cocoa farms that had received training and assistance and found only a 20% adoption rate of GAP and GEP, but the results in terms of increased yield and reduced losses from pests and diseases showed a 50% increase over the 500kg/hectare baseline by those farmers that adopted the GAP. It is likely that this program will be continued through the UKCCU/UKAID project in Papua (PROTARIH) to increase adoption rates in the near future.

Grantee Livelihoods for Improved Community Resilience to Climate Change

IFACS awarded grants to provide livelihood development support aimed at increasing community resilience to climate change impacts. Grant activities included

1. delivering training and capacity for alternative economic activities for forest-dependent communities;
2. delivering economic activities to promote climate change adaptation; and
3. providing seedlings of economically important species to regenerate degraded forest areas and enhance the economic value of the forest.

(See Grants section page 121-125 for details on results achieved by grants projects in Year 4.)

Value-Chain Improvement

In Year 4, IFACS forged two private-sector partnerships in the Aceh cocoa sector: PT Cocoa Venture Indonesia (PT CVI) of Medan, a value-chain partner to expand market opportunities for cocoa farmers, and M&M/Mars, which trained Aceh CocoBest farmers at the Mars Cocoa Academy in South Sulawesi and will train 10 more farmers in the coming months. PT CVI is actively developing a traceable and sustainably certified cocoa bean supply chain in the Aceh landscapes. Farmers who were trained by IFACS subcontractor YSC in the CocoBest program are attractive candidates for PT CVI to include in its certified supply chain.

M&M/Mars provides training to cocoa farmers at its South Sulawesi facility. The expectation is that the 20 lead farmers (or “cocoa doctors”) who go through this training will become local leaders and consultants to neighboring farmers on sustainable cocoa cultivation practices. The cocoa trainers are expected to be the intermediaries between companies such as PT CVI that want to include trained higher performing farmers, like the CocoBest farmers, in certified sustainable supply chains. Such supply chains will also provide the price signals and linkages to reinforce the forest and fauna conservation and protection messages of IFACS in the future.

In the IFACS Kalimantan landscapes, rubber is the leading crop of smallholders. It has been long understood that Central Kalimantan is particularly susceptible to forest and peatland fires. When an economic crop is present, farmers and landlords are more responsive to putting out neighboring fires and will take greater care to reduce the conditions that may lead to fire in the first place. The presence of profitable stands of rubber will deter additional burning that releases massive amounts of GHG and particle pollutants.

To stimulate rubber crop improvement, IFACS supported the visit of rubber farmers from Katingan landscape to the PT Bridgestone Kalimantan rubber plantation in South Kalimantan to attend two days of agronomy training. The main objective was to increase farmers’ technical knowledge, but an unexpected benefit has been that many farmers returned home from the study tour to set up rubber farmer cooperative business groups, known as *Kelompok Usaha Bersama Karet* (KUBK) in their communities. Since May 2014, 14 KUBKs have been formed, and 11 of these have already begun marketing clump rubber directly to rubber processors on their members’ behalf. The clump rubber supply chain is long, with many intermediaries that result in poor price information and declining clump rubber quality. IFACS has played a key role in brokering the relationship between three local rubber processors in Central Kalimantan and the farmer-led KUBKs, thereby cutting out intermediaries and allowing the rubber processor to do business directly with the farmers and to offer a price according to quality specifications.

The benefits to the 205 participating KUBK farmers are significant: KUBK farmers have increased their income from clump rubber by 50–80% in one month by selling through the village-based KUBK. KUBK membership is increasing week to week and has had an impact

on the larger community. In at least four villages, IFACS has observed that when a KUBK markets rubber on behalf of its members, the other clump rubber buyers have increased the price they offer to other farmers by 20–30% (from 5,000–6,000 IDR/KG to 7,000–8,000 IDR/KG) in order to remain competitive. This spillover effect has the potential to improve the livelihoods of more than 3,000 households in the villages where IFACS-supported KUBKs are active.

The Aceh Development Fund (ADF) in Aceh Selatan has also successfully facilitated value-chain improvements for honeybee producers in seven villages, which has increased honey prices from IDR 100,000 to IDR 250,000 (150%) per kilogram by improving bee harvesting and post-harvesting (packaging) practices.

Improving Livelihoods for Kalimantan Rubber Farmers



USAID IFACS is working with farmers in West and Central Kalimantan to promote rubber production as a viable low-emission livelihood alternative for forest dependent communities. Smallholder farmers produce 85% of Indonesia's annual production of natural rubber, but the steady decline of rubber prices has diminished earnings for most farmers, and rubber yields from smallholder farms are typically 30–50% less than those achieved on corporate plantations.

Inferior planting materials, inadequate soil nutrition, and improper rubber tapping techniques often result in reduced productivity of rubber trees and amount of

latex harvested. Rubber produced by many smallholders also tends to be of poor quality due to water and foreign matter content and the use of wrong chemicals or additives in post-harvest processes. IFACS is working with local NGOs—Yayasan Cipta Borneo Lestari, Lembaga Dayak Panarung, and Lembaga GEMAWAN—to train more than 2,000 rubber households to upgrade production methods, increase rubber output, and enhance the quality and marketability of their products.

The training program has also shown farmers how their rubber farms can help improve management of forests and peatlands bordering their villages. As long-term perennial crops, rubber trees can help mitigate greenhouse gas emissions by sequestering carbon. IFACS is also working with communities in Kalimantan to promote increased awareness about fire prevention and improve firefighting strategies. Communities that have a stake in protecting productive economic crops, such as rubber, are more diligent and vigilant about reducing the risk of fire in surrounding forests and peatlands.

To improve market access for rubber products, IFACS is engaging local rubber processors to negotiate directly with farmer cooperatives. “We are trying to upgrade local rubber production and then link the farmers to buyers that will value that upgrade,” says IFACS value-chain specialist Ross Jaax.

PT Borneo Makmur Lestari (PT BML), a local rubber processing company, has begun to source rubber directly from the farmer cooperatives. Early results from this arrangement have shown that selling rubber directly to the processing company allows farmers to earn better prices for their products and provides greater value-chain transparency. Initial sales to PT BML show that rubber farmers can increase their income from rubber sales by as much as 50–80% by selling directly to the factory.

These results have attracted attention from neighboring farmers. One farmers cooperative in Buntoi Village in Pulang Pisau District started with three farmer members and expanded to 30 farmer members within three months. The head of the Buntoi cooperative also reported that a local rubber buyer has increased the price he pays for rubber by more than 20% in order to compete with the higher prices charged by the farmers cooperative, resulting in increased earnings for about 200 farmer households in Buntoi Village.

Community-Private Sector Partnerships

In Aceh Selatan, IFACS has fostered a dialogue between local farmers and Bank Rakyat Indonesia (BRI) branches in Tapaktuan, Kutacane, and Blangkejeren, under the coordination of the Business and Partnership Division of BRI’s regional office in Banda Aceh. IFACS partners identified 27 potential enterprises for financing, including wild honey collectors from Bulusema, Trumon (Aceh Selatan), nutmeg essential oil distillers, nutmeg snacks and syrup makers, a nutmeg nursery in Tapaktuan (Aceh Selatan), and a local cocoa trader of Kutacane (Bahrun Brutu). Participants presented their business profiles and business plans during the workshop, and they also had the opportunity for a one-on-one business consultation with the BRI account officers.

IFACS has also collaborated with BRI in Palangkaraya to prepare two credit schemes for the rubber sector: (1) BRI Micro (KUR [public credit]), financing ceiling of Rp 1–20 million, 1.025% interest rate per month; and (2) Kredit Umum Pedesaan (KUPEDES) with a financing ceiling of Rp 5–100 million and 1.04% interest rate per month. BRI is looking at a specific financing scheme of Muliah by BRI. This scheme was approved by BRI in Palangkaraya to handle the financing for rubber farmers in the district and Bukit Batu Rakumpit.

Ecosystem restoration concessionaire PT RMU will work with 14 villages located in the borders of its ecosystem restoration concession on community empowerment initiatives through its CSR program. In the last quarter of Year 4, IFACS conducted field visits to two villages located near the concession area to map out important areas in the villages for possible community-private partnerships to conserve high conservation value areas and promote alternative livelihood development. Follow-up action is needed in the final months of the project.

IFACS community facilitator has completed community needs assessments and focus group discussions with 16 communities (*dusun*) in the Ketapang landscape. A draft partnership agreement (*kesepakatan*) has been drawn up between two concession holders, PT Alas

Kusuma Grup (AKG) and CV Pangkar Begili (PB). IFACS is currently in the process of negotiating a final agreement between these companies and the communities affected by their concessions.

Carbon Project Development

Opportunities to develop authentic carbon projects have emerged this year with the establishment of Indonesia's REDD+ agency. To capitalize on this, IFACS subcontract partner PT Hydro Program Indonesia has finalized five carbon emission Project Concept Notes working with local stakeholders in five locations, with the aim of securing REDD+ funding, first for the local capacity development and subsequently for implementation of conservation measures to reduce carbon emissions. The five Project Concept Notes are as follows:

Strengthening the Village Forest Ecosystem Management and Carbon Conservation, in Pulang Pisau, Central Kalimantan, focuses on improving management and livelihoods in a village forest buffer zone close to Sebangau National Park. At present, a large area of degraded land with some rubber plantations on peatland is under threat from fire and excessive draining. The village forest also suffers from illegal logging and conversion. The project aims to reduce carbon emissions through the control of fire and improve existing rubber production, thus giving previously unprofitable and degraded land important value.

Strengthening the Mangrove Ecosystem for Protected Forest and Carbon Conservation Area in Mimika, Papua, will improve and strengthen the management of this carbon-rich resource through participative ecosystem protection, resource-based economic development, and capacity building of institutions charged with their management.

Developing Penosan Sepakat as a Protected Water Catchment Area and Carbon Conservation in Gayo Lues, Aceh, will develop a regulation to permanently protect the area and establish a management body that will be charged with developing eco-friendly agricultural activities within the Leuser Ecosystem and rehabilitating critical areas.

Ecotourism Scheme and Community Collaborative Patrol in Trumon Corridor to Reduce Deforestation in Aceh Selatan aims to develop sustainable support for the maintenance of a 2,700-hectare wildlife corridor that is patrolled through an ongoing collaborative management initiative. The project will also improve community livelihood through the development of alternative economic resources, such as ecotourism and fisheries.

Management of Gunung Palung National Park Buffer Zone in Kayong Utara, West Kalimantan, will assist in improving protections for the national park by managing and coordinating community development activities and restoration in the buffer zone surrounding it.

Supporting Rattan Trade Policy Reform

Indonesia's trade policy banning export of raw rattan and semi-finished rattan products has driven the price of rattan down and has had a particularly destructive impact on local economies in Central Kalimantan, leading rattan farmers to convert ecologically friendly rattan gardens to palm oil or other mono-crops. In November 2014, IFACS co-hosted a national rattan seminar in Jakarta with the Ministry of Forestry and Non Timber Forest Products-EP. Ministry of Forestry Secretary General Hadi Daryanto opened the seminar, following welcome remarks by USAID Environmental Office Director John Hansen, and the head of Dinas Perindustrian, representing the governor of Central Kalimantan. Speakers included government officials from the Ministries of Trade, Industry, and Forestry, academia, NGOs, the Indonesian Rattan Foundation, Indonesia Furniture Association, the Center for

International Forestry Research (CIFOR), Indonesia Forest Research and Development Agency (FORDA), the Setara Foundation and a Katingan rattan grower. The workshop drew 100 participants and concluded with the following key recommendations for a working group to address trade issues to revive Indonesia's rattan industry:

- Change the current rattan trade policy and modify the rattan trading system.
- Compile verifiable and accurate data on the current condition of rattan as a basis for policy changes.
- Improve cooperation of all parties (cane farmers, entrepreneurs and governments) that will implement current effective models.

Following the seminar, IFACS facilitated a study on the current condition of the rattan industry in Central Kalimantan. Conducted by the University of Vancouver, the study compiled data and analyzed the impact of the recent export ban of intermediate rattan products (minimally processed raw rattan and semi-finished rattan) on land use policy in the region. The study concluded that reforming Indonesia's restrictive rattan export policy to revive the rattan industry would bring broad-based social, environmental, and economic gains that could be achieved through an inclusive consultative process involving the participation of key local, regional, and national stakeholders.

IMPLEMENTATION CHALLENGES

- The largest challenge facing Component 3 is to provide economic benefits to 12,000 people within the time remaining for the project. To date, IFACS has been able to count and verify that 3,021 people have received economic benefits from the project. This leaves nearly 75% of the target to be reached within the last four months of the technical implementation of the project. The Final Work Plan details how IFACS will meet this gap through a combination of ongoing activities, expanding successful activities to include new beneficiaries and to account for spillover effects for the planned activities. This is addressed in more detail in the following section.
- One of the biggest challenges in developing agricultural value chains is the risk of volatility in the markets. The price of rubber has been declining consistently through the project. This poses a problem of declining incentives for farmers to be involved. IFACS is addressing that by prioritizing activities that provide immediate economic benefit to farmers without requiring more investment with deferred returns. The KUBK model is an effective approach to address this challenge.
- Working with private sector partners in times of uncertainty has been a challenge. For example, cocoa exporter PT. Armajaro was originally identified as a potential cocoa value-chain partner in Aceh. Since then, Armajaro announced its merger with a rival firm and has closed down its operations in Aceh. IFACS had to seek an alternate partner to develop market linkage, and thus has partnered with PT CVI, a cocoa bean grinder in Medan.
- IFACS has faced challenges in facilitating community-private sector partnerships between 15 forest communities and three concessions in the project's West Kalimantan Landscape. There were delays in getting approvals from the concessionaires to enter their areas of work and meet with the communities, and one of the concessionaires, PT Pasifik Agro Sentosa (PT PAS), a palm oil company, lost interest in collaborating with IFACS. In the end, IFACS hopes to facilitate CCLAs with 13 communities, with the participation of two concessionaries, CV PB and the Alas Kasuma Group. However, it is unlikely that these will result in additional investments or economic benefits for the

communities, because the companies are not willing to invest their own money into realizing the requests in the CCLAs.

PRIORITY ACTIVITIES FOR COMPONENT 3

- Activities in the Final Work Plan will focus on maximizing the number of individuals receiving economic benefits through activities consistent with landscape-specific LEDS. The key performance indicator for these activities is improved livelihoods of forest-dependent communities—either in terms of monetary benefit or resource improvement. A narrow focus is required for this component, as the EOP target for improved economic benefits is 12,000 people. To date, IFACS has recorded that 3,021 people have received measureable economic benefits resulting from IFACS activities implemented through 19 grants and three subcontracts. By the end of December 2014, the project expects that existing ongoing activities under grants and subcontracts will result in an additional 5,446 people receiving economic benefits. A gap of 3,513 people (29% of overall target) is therefore to be reached in the coming work plan period. IFACS plans to close this gap and reach 105% of the target through a combination of expansion of beneficiaries under existing activities, new activities in Aceh with ecotourism, and accounting for “spillover effects” with rubber farmers in Central Kalimantan.
- There were a wide range of activities in Year 4 related to improvement of livelihoods of forest-dependent communities through grants to 17 non-profits and two subcontractors. Of these, 10 of the grantees and one of the subcontracts will remain active into the first quarter of FY2015. The first order of business will be to ensure that these projects are fully implemented, and that the targets in terms of beneficiaries reached and livelihood impacts are realized.
- IFACS will introduce a mobile technology called TaroWorks in the cocoa value chain. This application can be used to monitor fieldwork, collect data, and provide mentoring (e.g. downloaded text, videos, and audio) via 3G networks. The application of this mobile information and communication technology is part of IFACS’ efforts to make field staff working in landscapes more responsive and networked with their supervision, and also to offer another channel for information-sharing dissemination with beneficiaries.
- IFACS, through a subgrant to the Yayasan Indonesia Ecotourism Network (Indecon), will identify and develop ecotourism products (or itineraries) in Gayo Lues, Aceh. This LEDS activity is expected to bring new economic activities to several communities in Gayo Lues in terms of increased tourism and well-developed itineraries and publicity. This activity will run from late August 2014 to early February 2015 and will aim to reach more than 150 new beneficiaries and potentially provide economic benefits to them. The activities and milestones for this technical tool is included in the Indecon grant document.

COMPONENT 4: PROJECT COORDINATION AND MANAGEMENT

The Project Coordination and Management component ensures effective coordination with USAID and United States Government (USG) partners as well as Government of Indonesia (GOI) agencies in the forest conservation and climate change sectors, as well as efficient implementation, financial management, and compliance with the IFACS contract.

Major developments in Year 4 included:

- Implementation of Contract Modification #8, which included a revised Scope of Work adjusting contract results to make them more attainable and attributable to IFACS activities and extending the period of IFACS performance through March 2015. This included revising the IFACS PMP and rolling-out a new Management Information System (MIS).
- A surge in subcontract and grants procurement to further bolster the project's ability to achieve contract results and deliverables. This included processing 15 new or significantly expanded ongoing subcontracts worth an additional US\$2.6 million, and the issuance of nine new grants worth approximately US\$765,000.
- Full staffing of the IFACS Organizational Chart by the end of the first quarter, through the recruitment of 12 field and Jakarta-based technical and operational specialists and advisors. The majority of Year 4 was implemented with fully staffed offices for the first time in the life of the project.
- Regular hosting of field visits for USAID and USG officials, including the U.S. ambassador's visit to the Mimika mangroves as well as various USAID/Indonesia and USAID/Washington DC learning visits to IFACS field sites in Aceh and Kalimantan.

Partner Coordination

IFACS Partner Coordination includes USAID and USG FOREST, GOI, and IFACS landscape-level partners.

Coordination for USAID and USG FOREST partners included annual performance monitoring in October and November, ensuring timely and accurate delivery of results from partners to USAID through the IFACS monitoring and evaluation (M&E) team. IFACS also facilitated a USAID partners meeting in July, serving as a platform for USAID to launch its new forest and land-use initiative. At USAID's request, IFACS provided financial support to CIFOR in May for the Asia Forest Summit. On the ground, IFACS continued to work with the United States Forest Service (USFS) on carbon inventory with training in the Mimika Landscape in Papua and the Ketapang Landscape in West Kalimantan. Year 4 also included a number of field visits by USAID and USG officials, including the U.S. ambassador's visit to the Mimika mangroves, USAID Indonesia visits to Central Kalimantan, and USAID Washington, D.C., visits to Aceh and Central Kalimantan.

IFACS also coordinated regularly with the Ministry of Forestry and Coordinating Ministry of Social Welfare. IFACS provided regular technical briefings to various directorates of the Ministry of Forestry, and worked with PHKA on the Community Livelihoods Conservation Agreement Workshop. IFACS invited Ministry of Forestry and Coordinating Ministry of Social Welfare for a field visit to the Katingan Landscape in Central Kalimantan, and provided a technical briefing to the Coordinating Ministry of Social Welfare in Jakarta.

Project Management

The Operations Team provided regular support to ensure efficient and effective implementation of IFACS field activities. In Year 4, this included management support and oversight to a field team of more than 100 staff distributed across eight regional offices from Aceh to Papua, up to 23 active subcontracts, and up to 34 active grants. Contract Modification #8, executed in October, provided a contract extension through March 2015, thus enabling IFACS to carry on routine field activities at a robust pace throughout the year. Year 4 stands out for the achievement of significant results through the effective mobilization and utilization of IFACS direct implementation, subcontracts and grants resources.

Personnel

For the first time since the commencement of the project, IFACS was fully staffed by early into Year 4. IFACS now has more than 100 technical and operational staff and consultants effectively managing and implementing project activities in Jakarta and in the field. Besides being fully staffed for the first time, this achievement reflects the revised staffing pattern agreed upon with USAID in Year 3, nearly doubling the number of long-term positions in order to ensure effective technical impact with strong technical compliance.

IFACS Organizational Charts are provided in Appendix 5.

Subcontracts

With the six-month extension provided under Contract Modification #8, IFACS had sufficient time to effectively program new and expanded subcontracts to better achieve the project's overall results and deliverables. In what became known as Surge 2, IFACS technical and operational staff facilitated the procurement of 15 new or expanded subcontracts valued at US\$2.6 million over the year. Much of this was accomplished in the first and second quarters to allow adequate time for field implementation. Some especially significant subcontracts include the following:

1. Expansion of FIELD's scalable Climate Change Vulnerability Assessment and Action Plan activity. Originally designed only to facilitate the preparation of community climate change adaptation action plans and then leveraging local government and other partners to support action plan implementation, the expansion provides financial and technical support for implementation of these plans.
2. PT Hydro Indonesia provides technical support to landscape-based project proponents for the preparation of five forest carbon concept notes. This includes two concept notes from Aceh, two from Kalimantan, and one in Papua.
3. Mangrove Action Project (MAP) supports the development of a participatory and adaptive Mimika Mangrove Conservation Management Plan, the cornerstone to IFACS work in Mimika Landscape in southern Papua.
4. Swiss Contact Indonesia launched a new subcontract to support LEDS-based development for forest-dependent communities in Aceh through a cacao value-chain development initiative.
5. Orangutan habitat conservation was ramped up through subcontracts to BOSF for its work in Mawas, Central Kalimantan, and to YOSL-OIC and FKPSM in the Aceh landscapes.

6. Private sector support for conservation was enhanced through subcontracts to ZSL-Indonesia for biodiversity conservation training for private sector partners as well as to Daemeter for preparation of CMMPs.
7. Communications subcontracts were provided to Infinity Motion Projects (IMPRO), CV Ulya Brothers, and Rumah Ide to more effectively inspire landscape-level partners to take responsibility for conservation, LEDS and climate change leadership.
8. The World Wildlife Fund (WWF) expanded its work in Asmat Landscape in southern Papua, with an extension to this effective subcontract.

During this period, IFACS also managed 15 other ongoing subcontracts, bringing a number of these to closure by the end of the year. Notable subcontracts closed by the end of Year 4 include: Conservation International (CI) for its work in Mamberamo; Subcontractors URS and YIPD for their work facilitating LEDS-based SEAs; and STC-I's work for LEDS-principled livelihoods development with forest-dependent communities in northern Papua.

(See Appendix 3 for Table of Subcontracts active during Year 4.)

CROSSCUTTING ACTIVITIES

COMMUNICATIONS & PUBLIC OUTREACH

Understanding people's perceptions of climate change is key to crafting effective communication campaigns that motivate people to take positive action. IFACS communication strategies aim to reach forest-dependent communities most immediately impacted by deforestation, farming, and coastal communities most immediately affected by climate change impacts. Communication campaigns in Year 4 disseminated climate change messages to influence policy and promote IFACS conservation initiatives through MSFs, religious and traditional leaders, and local media outlets. IFACS also began facilitating MSF MTDs this year that brought together community leaders and government officials and fostered collaborative approaches to improving forest management and increasing climate change resilience in the IFACS landscapes.

IFACS communications activities in Year 4 focused on

- strengthening MSFs to solidify their role as conservation leaders and key intermediaries for connecting local government, civil society, and the private sector;
- increasing IFACS engagement with local media to promote increased and accurate coverage of climate change and conservation issues; and
- facilitating MTDs to raise awareness and understanding of climate change, biodiversity and emission-reduction strategies.

PROGRESS IN YEAR 4

MSF Strengthening—Incubating Model Forums

IFACS ramped up communications activities with MSFs in the project focal districts, working closely with its members from civil society, government, and the private sector in an ongoing effort to reinforce MSF leadership and develop the forums as champions of green governance. IFACS communications staff engaged actively with MSFs, providing technical support and helping organize workshops and MTDs.

In Year 4, FMUL, the MSF in Aceh Tenggara, stood out for its ability to push through the promulgation of pro-environment district regulations (*qanun*). Over the last year, FMUL pushed the district government to develop a *qanun* calling for sustainable management of Gayo Lues' natural resources; creation of a circle of environmental clerics tasked with disseminating climate change messages during religious gatherings; and the issuing of official notices to Aceh Tenggara villages banning the burning of forests. In addition, FMUL carried out numerous activities aimed at raising public awareness and support for conservation initiatives and at advocating environmental-friendly policies.

In West Kalimantan, IFACS communications staff supported MSF "sunset discussions" that have promoted multi-stakeholder collaboration to increase protections for forests in Gunung Palung National Park and surrounding areas. Similarly in the Papua landscapes, monthly thematic discussions facilitated by IFACS played a critical role in advancing conservation initiatives in Papua, particularly in Mimika, where increased awareness of climate change led to strong community support for a local regulation for mangrove protection, backed by funding from the district government.

Media Engagement—Creating Communication Networks

Where media and civil society networks are more developed, IFACS communications efforts this year expanded beyond community grassroots to work with journalists and local activists. Media outreach activities aimed to provide accurate information, in accessible language easily understood by target groups, and which could then be repackaged to suit their respective audiences and local needs.

In Year 4, IFACS conducted workshops for two groups of journalists: community journalists, comprising NGO workers, local residents, and budding writers (without media affiliation); and accredited journalists who work for established news organizations. For community journalists, IFACS communications officers conducted training focused on improving writing skills and providing tutorials on creating websites. The aim was to get local residents directly involved in monitoring their surrounding areas and writing about key issues and incidents that impact them. For accredited journalists, the goal was to increase the frequency and quality of reporting on environmental issues and support reporters in identifying and reporting on positive environmental action, such as low-emission livelihoods and spatial planning to reduce deforestation and protect biodiversity.

Community journalist training workshops held in Aceh and Kalimantan resulted in several websites created by workshop participants to post articles touching on issues ranging from low-emission development strategies implemented by community members to forest and biodiversity conservation efforts in their districts (see Matan Review <http://www.matanreview.blogspot.com>). Many workshop participants, who were also MSF members, have used what they learned to train villagers and students in creating similar websites. To date, the villages of Kepari, Tanjung Beulan, and Rangka Intan have created their own websites targeted for local audiences to inform them of key environmental issues impacting their communities (<http://desakepari.blogspot.com/>; <http://beulang.blogspot.com/>; <http://ranggai.blogspot.com/>). This indicates success of our general aim to influence MSFs and key community members with strong environmental messages related to climate change and emissions reduction, and through them to disseminate the messages to the community at large.

IFACS workshops with accredited journalists in Kalimantan have resulted in the broadcast of videos made by participants affiliated with the Kalimantan cable television station, Ruai TV, and more than 50 articles in prominent local and national media such as Pontianak Post, Media Indonesia, and Gatra magazine. During the workshops, participants were given the opportunity to live with villagers in IFACS landscapes for a few days to document through print or video various IFACS activities related to climate change, biodiversity conservation, and emissions reduction. MSF members were also present to provide interviews and relate how the communities have been active in pro-environment activities. Since then, a number of the workshop participants have created a “Borneo Filmmakers Club” that serves as a forum for discussions of the latest video technology and environmental news, and which provides filmmaking training to teenagers in various villages.

Year 4 also saw the publication of 200 articles published by journalists covering IFACS activities in the project landscapes, including LEDS, mangrove conservation, and spatial mapping activities related to SEAs and LCPs. The wide media coverage can be attributed to communications officers routinely engaging with the media, inviting them to cover IFACS events and MSF MTDs, and pitching environmental stories to selected news organizations.

Monthly Thematic Discussions—Informing and Shaping Opinions

Providing information to opinion formers, such as community leaders, government officials, and local activists, allows them to pass it on and interpret it for the community in ways that are culturally appropriate. One of the ways IFACS achieved this in Year 4 was through our

popular MTDs. Each month, and in each landscape, IFACS communications officers worked with MSF members to identify appropriate environmental themes and invited local speakers to lead presentations or moderate discussions, before ending with a film screening touching on similar issues. Many of the discussions focused on financial and social benefits of adapting to climate change, and the rewards of reducing greenhouse gas emissions. By framing the meetings around issues that directly impact their lives, participants were more likely to engage in action following the discussions. The meetings also aimed to arm local opinion-formers (in our case, the MSF members) with appropriate information for them to serve as catalysts for future action.

According to a recent survey carried out by the IFACS monitoring and evaluation team in Sarmi, Papua, the MTDs there have prompted participants to reflect on climate change impacts affecting their district. While most residents were previously unaware that coastal abrasion, floods, and extreme temperatures were related to climate change, some participants have started their own emissions-reducing activities, such as recycling, tree planting and avoiding the burning of trash and land to reduce climate change impacts on their communities.

MTD attendance by government officials in Sarmi has increased multi-fold in the space of four meetings. When IFACS began the MTDs in Sarmi in January 2014, only a few officials attended. By the fourth meeting, more than 10 officials attended, making up 40% of total participants. The officials told IFACS they viewed the meetings as an effective channel for introducing environment-related development activities and allowed them to extract valuable insights about ongoing activities from their constituents.

This mirrored the kind of symbiotic relationships that have evolved among government agencies, NGOs, and community members in the Kalimantan and Aceh landscapes, where the monthly gatherings have become networking opportunities for communities and NGOs to lobby their government officials for funding or legislative support in connection with developing low-emission activities.

These impacts were particularly significant in remote villages with little or no access to conventional forms of media. The MTDs served as the first point of access to climate change information for many villagers. For these isolated communities, the meetings also provided a rare opportunity for direct interaction with village leaders and district officials.

IMPLEMENTATION CHALLENGES

Tribal warfare in Mimika resulted in staff members confined to their quarters numerous times during Year 4. This pushed back activities resulting in missed deadlines for MTDs, radio show broadcasts, and journalist field trips.

PRIORITIES FOR THE FINAL WORK PLAN PERIOD

Communications and Outreach will focus on technical wrap-up and knowledge management activities.

For technical wrap-up, we will focus on supporting priority activities in the landscapes such as SEA/LEDS, LCP, CCLA, and mangrove and/or biodiversity conservation. Support will come in the form of increased media engagement to heighten public awareness of these priority activities; the development of tool kits (in the guise of brochures, pamphlets, etc.) to explain these activities in a clear, accessible, and compelling manner; targeted monthly thematic meetings to drum up messages to key stakeholders more strategically; production of videos that provide a clear and engaging narrative of priority activities and which can be used as communication tools consistently and with new audiences to have a multiplier

effect; and the creation of success stories that detail results, best practices, and lessons learned.

Knowledge management activities will focus on the following: coordinating and compiling analyses and IFACS methodologies in a series of publications designed to disseminate lessons learned over the course of the project; developing case studies and human interest profiles from implemented activities, and documenting them in both print and video; and designing workshops and other events aimed at disseminating such information to a diverse audience.

GRANTS PROGRAM

PROGRESS IN YEAR 4

Grants Internal Compliance Review

During Year 4, IFACS carried out Internal Compliance Review (ICR) of eight grantees (*Kelompok Kerja Sosial Perkotaan* (KKSP), Pugar, pelaGIS, Jaringan Perempuan Mimika/JPM, Yapeda, *Lembaga Dayak Panarung* (LDP), *Kelompok Kerja Sistem Hutan Kerakyatan* (POKKER-SHK), *Yayasan Cakrawala Indonesia* (YCI) and mid-term evaluation of three grantees (LDP, POKKER-SHK, YCI). The reviews found most of the grantees made satisfactory progress on project administration documentation, recording, finance bookkeeping, and reporting.

RFA Grants Roll-Out and Management

IFACS launched eight new livelihoods development grants under RFA2. All of these grants started on February 25, 2014, and will end on December 24, 2014. These eight new grants are:

- Lembaga Pengkajian Pemberdayaan Perempuan dan Anak Papua (LP3A-P) in Mimika Landscape
- Yayasan Citra Borneo Lestari (YCBL) in Katingan Landscape
- Yayasan ASRI in Ketapang Landscape
- Perkumpulan SaMPan in Ketapang Landscape
- Yayasan Usaha Baik (YUSABA)-CKK in Ketapang Landscape
- Lembaga Pendidikan dan Pemberdayaan Masyarakat (eLPaM) in Katingan Landscape
- Aceh Green Community (AGC) in Aceh Tenggara Landscape
- Forum Pala Aceh (FORPALA) in Aceh Selatan Landscape

IFACS launched an additional grant (RFA 3) to support ecotourism development in Gunung Leuser National Park (GLNP) in Aceh to Yayasan INDECON, which will run from Sept. 1 to Dec. 31, 2014.

Capacity Building for Grantees

IFACS provided technical support to grantees throughout Year 4 in program, financial, and administrative management, while providing limited support on institutional development, according to the Year 4 IFACS Work Plan. Capacity building activities included:

- **Proposal Strengthening Workshops**—After selecting the eight new grantees, IFACS assigned its grants program staff in Jakarta to team up with regional staff to facilitate the start-up of these grants and assistance processes. These Jakarta office teams were the deputy chief of party, assigned to South and Southeast Aceh landscapes; the community development specialist, assigned to Papua and Central Kalimantan landscapes; the grants program coordinator; and the grants specialist, assigned to West Kalimantan Landscape. As a result of this proposal refinement support, USAID approved all proposals in February 2014.
- **Financial Management Training**—IFACS provided financial management capacity building to grantees, including coaching and technical guidance on various occasions, such as in proposal strengthening workshops, project start-up meetings, and grantees workshops.
- **Grants Monitoring and Technical Support**—The IFACS grants specialist and grants program coordinator, through close coordination with regional staff, conducted regular

grants monitoring and technical support to grantees directly in meetings and workshops and indirectly via phone and e-mail throughout Year 4.

To improve communication and coordination with grantees, IFACS launched grants coordination and communication guidelines which emphasized a “one-door” approach for a more coordinated process to manage the grants program. IFACS also held an intensive two-day grants coordination workshop in the Jakarta office for all grants staff from the regional offices. The grants program coordinator provided basic project management and report writing coaching to nine grantees in Aceh, West and Central Kalimantan, and Papua.

To accommodate grantees’ requests, IFACS approved 13 no-cost modifications (46%), five cost modifications (18%), one cost modification and extension (3%), five no-cost modifications and extensions (18%), and 13 no-cost extensions (46%) of grant agreement with grantees during Year 4.

- **‘Lessons Learned’ Workshops**

Due to time limitations and scattered grantees’ locations in IFACS landscapes, a “Lessons Learned” workshop was only conducted for Ketapang Landscape. Attended by five grantees and one subcontractor, the workshop provided an opportunity to share experiences among partners and capacity building support in project and financial management. Similar workshops will be conducted for grantees in the other IFACS landscapes before the close of all grants in December 2014.

Grants Close-Out

According to the Grants Closure Plan for Year 4, IFACS closed 14 grants this year, including:

1. Yayasan Orangutan Sumatera Lestari-Orangutan Information Center (YOSL-OIC) (IFACS 007)
2. Yayasan Gampong Hutan Lestari (YGHL) (IFACS 011)
3. Aceh Development Fund (ADF) (IFACS 012)
4. Puter Indonesia (IFACS 015)
5. Perkumpulan Terbatas untuk Pengkajian dan Pemberdayaan Masyarakat Adat (ptPPMA) Papua (IFACS 016)
6. Yayasan ASRI (IFACS 018)
7. Yayasan Cakrawala Indonesia (YCI) (IFACS 019)
8. Yayasan Dian Tama (YDT) (IFACS 020)
9. POKKER-SHK (IFACS 021)
10. Lembaga Dayak Panarung (LDP) (IFACS 024)
11. Yayasan Pugar (IFACS 025)
12. Yayasan Ekosistem Leuser dan Pemberdayaan Ekonomi Daerah (YELPED) (IFACS 026)
13. Yayasan pelaGIS (IFACS 027)
14. Yayasan Kelompok Kerja Sosial Perkotaan (KKSP) (IFACS 029)

One grantee, *Jaringan Perempuan Mimika* (IFACS 022), was terminated in May 2014 due to insufficient human resources capacity to manage its grant project.

Grants Achievements in Forest Restoration and LEDS

Aceh Selatan Landscape

IFACS grantee ADF has completed reforestation activities in this landscape. Community members planted 28,077 Jabon (*Anthocephalus chinensis*) and Durian (*Durio zhibethinus*) trees in more than 100 hectares of critical and secondary forest. In addition to accelerating forest recovery, these species also serve as nesting and forage trees for wild bees, an

important benefit where honey production is a major income source for seven villages near the Singkil wildlife reserve. YGHL assisted community members in planting 7,500 nutmeg (*Myristica fragrans*) trees over 300 hectares.

Yayasan KKSP (*Kelompok Kerja Sosial Perkotaan*) grant activities aim to improve women's livelihood in three villages adjacent to Gunung Leuser National Park to reduce economic dependence on forest products. After setting up women cooperatives, the program assisted the cooperatives in setting up business units that successfully produce *tempe* and soybean milk for sale in local restaurants and markets. This activity has increased household income—39% of cooperative members now have a new source of income and reported that they earn an additional IDR100,000 to 300,000 per month through this livelihood activity. Members of cooperatives have also cultivated 77% of unproductive and abandoned land in their villages. The establishment of the women cooperatives was endorsed and supported by the Trade, Industries, Cooperatives and Small-Business Department of the Aceh Selatan District Government. There have been in-kind contributions, and capacity building support from this department is currently being negotiated.

FORPALA (Nutmeg Forum) has completed its training in nutmeg seedling grafting to 628 nutmeg farmers in 11 subdistricts in Aceh Selatan District. The experiment with grafting wild forest nutmeg root stock with domestic nutmeg is a promising solution to the 20 years of nutmeg disease that has affected roots (black and white fungi diseases) and destroyed nutmeg crops in Aceh. Local forums have been developed in the 11 participating subdistricts and are in the process of preparing 55,000 grafted nutmeg seedlings for planting in the wet season. FORPALA has also utilized the forums to disseminate information on forest conservation and climate change, while educating its members on improved nutmeg farming practice to protect soil and conserve water resources in a changing climate.

Aceh Tenggara Landscape

YELPED supported communities in four villages to plant 66,000 multi-purpose trees species, including mango, bamboo, rubber, and nutmeg. In terms of immediate economic development, YELPED activities have resulted in farmer income increases of up to 23% (exceeding the 5% targeted increase) through the provisioning of horticulture seedlings and cultivation training to residents in the four targeted villages.

PUGAR has conducted land restoration workshops for rehabilitation of watershed areas and has planted about 30,000 seedlings in more than 200 hectares in target villages. PUGAR replanted critical land of the Tripe river watershed involving 271 community members of Pintu Rime Gayo village, who planted 30,000 multi-purpose seedlings. For the economic development of forest dependent communities, PUGAR implemented farmer field schools for cacao agriculture and post-harvest processing with 125 farmers in five targeted villages.

AGC is currently implementing a project for the improvement of palm sugar collection and processing for 400 farmers/producers in Gayo Lues District.

Ketapang Landscape (West Kalimantan)

IFACS has awarded two grants to the ASRI Foundation. The first award successfully introduced sustainable farming methods to 14 farmers groups using environmentally friendly methods that reduce farmers' reliance on purchased fertilizers and pesticides, resulting in cost savings and better quality produce. ASRI also developed a multi-stakeholder management structure for Gunung Palung National Park, conducted training in best management practices in seven villages to promote forest conservation, and facilitated participatory mapping that served as foundations for developing CCLAs in the targeted villages. This first grant also secured the following funding leverage through in-kind support from Kayong Utara District government: 56 cows, 2 grass cutters, a hand tractor, and an organic rice packing machine. The second award expanded and scaled up the approach to

an additional 400 beneficiaries. Through ASRI's successful agriculture project, illegal logging in Gunung Palung National Park has been reduced drastically; ASRI reports none of the assisted villages have returned to illegal logging.

Grantee GEMAWAN has organized training in rubber cultivation management. Following the training, Gemawan established farmer groups to advance agroforestry improvement and organized communities to fight fires that impact their rubber plantation. Currently, the community cannot control fires that spread from neighboring scrubland within Gunung Palung National Park (TNGP) due to limited equipment. The community has submitted a proposal to the TNGP to develop a canal that can be used to fight fires in future.

YDT has helped and assisted farmers gaining new knowledge and skills to improve the production quality of non-timber forest products as an alternative livelihood to timber. It has also provided financial advice, calculating the cost of inputs to farming and determining a profitable price for the sale of products. YDT also has encouraged fruit growers to use organic fertilizers and pesticide to reduce these input costs and prevent soil degradation.

SUAR Institute conducted rubber grafting, cultivation, and production training (i.e., adopting good agroforestry practices) for 80 rubber farmers in two target villages with the purpose of increasing knowledge and skills in order to produce better clump rubber (in quality and quantity), which in turn will raise rubber's price and increase rubber farmers' income.

Katingan Landscape (Central Kalimantan)

LDP has worked with communities in four villages to plant 1,000 rubber trees that covered 20 hectares of abandoned/critical land as part of forest rehabilitation and, critically, to prevent the potential for palm oil plantation expansion in the area. LDP completed training for approximately 120 farmers on technical aspects of harvesting, but especially on post-harvest treatment of rubber. They have facilitated apprenticeships for farmers to *Gabungan Kelompok Tani* (GAPOKTAN) in Samba Kahayan and comparative study tours at PT Bridgestone, an integrated rubber producer and tire manufacturer that owns and operates a rubber plantation in South Kalimantan. The study tours exposed farmers to best management practices for rubber and affirmed proper post-harvesting practices. This experience inspired several farmers in the IFACS training program to form marketing cooperatives (KUBK), which have since made direct sales to rubber processing factories that increased prices for their product significantly (see IFACS value-chain impacts below). LDP has also worked on sustainability issues by training 30 community members in basic credit union knowledge.

YCBL and eLPaM are implementing similar projects for LDP in Palangkaraya and Katingan districts. They have completed technical training on rubber cultivation, including techniques of grafting seedlings and pest management, and implemented post-harvest training for farmers in their target villages that have yielded significant results in Pulang Pisau.

This year, YCI completed its trainings in best management practices (BMP) in forest conservation and environmental services for 137 farmers and community members of seven targeted villages.

Mimika Landscape (Papua)

Yayasan Peduli AIDS Timika (YAPEDA) has completed research and analysis on sago product processing, mangrove fruits, and other NTFP production as well as their market opportunities that will help the communities conserve sago and mangrove areas while at the same time gaining economic benefits from it. YAPEDA has also conducted a "Save Mangrove" campaign for communities, youth, and students in the area. LP3A-P, a new IFACS grantee, is strengthening economic opportunities for families in three villages and is

currently implementing household financial literacy trainings so that participants can capitalize on economic benefits from this resource-rich region and conserve resources.

Sarmi Landscape (Papua)

IFACS grantee PtPPMA has been assisting the Tetom Jaya community in sustainably managing a 5,000-hectare forest concession area to provide livelihoods for about 40 families. Licensed as a IUPHHK-MHA and IIHHKR-MHA concession, the area is located within the IFACS partner natural forests concession PT Wapoga. (The community owns an additional 45,000 hectares.) PtPPMA has assisted the identification of the precise location of this 5,000-ha area with the assistance of key stakeholders, using participatory mapping approaches and identification of HCVs. PtPPMA also has completed training in RIL, eco-forestry certification, timber volume measurement, and forest rehabilitation as well as development of SOPs and production plans.

Grants Achievements in CCLA Development

IFACS' grantees across the project landscapes developed a total of 59 CCLAs during Year 4.

In Aceh Tenggara, Grantee YELPED completed CCLAs in four villages, YOSL-OIC completed in six villages, and AGC in nine villages. In South Aceh, FORPALA has developed CCLA in five villages and KKSP in three villages. In addition to establishment of CCLA in four assisted villages in Southeast Aceh, YELPED was also successful in endorsing local (village) government regulation (*Peraturan Desa*) on natural resources conservation and protection in all of these four villages. These four village regulations will further protect and provide legal basis to the conservation agreements made in the community.

In Ketapang Landscape (West Kalimantan), YDT has completed CCLA in four villages, SUAR Institute in two villages, Perkumpulan SAMPAN in seven villages, YUSABA-CKK in two villages, and ASRI in three villages.

Yayasan Cakrawala Indonesia (YCI) in Katingan landscape (Central Kalimantan) has completed CCLAs in seven target villages while PUTER and LDP, both in Katingan landscape, have developed nine and four CCLAs, respectively. Currently, the IFACS grantee in Mimika Landscape, YAPEDA, is in the final stages of CCLA development in four assisted villages.

To support CCLA development, participatory mapping was carried out in the 59 villages. To date, 73 participatory mapping activities have been carried out. The participatory mapping results from nine villages by Puter Indonesia have been submitted to the district government for spatial and development planning. *Perkumpulan Terbatas untuk Pengkajian dan Pemberdayaan Masyarakat Adat* (PTPPMA) Papua has also conducted participatory mapping in Tetom Village in Papua's Sarmi District, where the district government has planned to include this participatory mapping in its spatial and development planning.

IFACS grantee PelaGIS in Aceh Tenggara conducted participatory mapping and GIS training for 18 government officials in Gayo Lues District to build capacity in GIS-related policymaking and development planning. PelaGIS also provided four weeks of technical assistance and mentoring to these government officials to apply the skills and knowledge acquired in the trainings.

IMPLEMENTATION CHALLENGES

While some grantees, particularly the new RFA 2 grantees, have shown good progress and timely implementation, some grant implementation activities have been delayed by poor internal coordination and grantee communication mechanisms as well as low project management capacity. Most grants have been awarded to small local NGOs with limited capacity in project management, as well as in administrative and technical capacity that have contributed to project implementation delays.

Delays also have been caused by legislative and presidential election-related tensions, social unrest, and heavy rains and landslides that restricted seed-planting activities.

PRIORITIES FOR THE FINAL WORK PLAN PERIOD

IFACS Grants activities for the Final Work Plan period will focus on technical wrap-up and administrative close-out of active grants. With the exception of one grant scheduled to end in January 2015, all ongoing grants will be completed by December 31, 2014. The grants management team, assisted by a short-term technical assistant (STTA) from the Tetra Tech home office in October, will follow close-out protocol provided by the grants under the Contract Management Plan and the associated grants under the Contract Close-Out Plan, previously approved by USAID.

TRAINING AND CAPACITY BUILDING

IFACS training activities in Year 4 were designed to build technical capacity among the project's district government, local community, and private sector partners in the project focal districts and achieve the objectives of IFACS component and landscape strategies. Implemented by grants and subcontracts to local NGOs, environmental organizations, and technical consulting firms, key capacity-building programs in Year 4 included training in: GIS technology, mapping and analysis; sustainable farming to promote LEDS; value-chain improvement for shareholder farmers; biodiversity monitoring; firefighting and fire prevention; and collaborative forest management.

PROGRESS IN YEAR 4

GIS Training

IFACS carried out a series of basic and intermediate GIS training for government agencies and NGOs in the 11 target districts in the IFACS landscapes. This activity provided increased knowledge and skills of participants in: HCV identification and monitoring, GIS and ArcGIS software, GIS analysis, GPS, SDI development, and spatial planning applications. The training program aimed to generate map production to provide spatial data for the preparation of SEA documents and other land-use planning documents. The results achieved from the training indicated that more than 75% of participants are actively applying GIS technology, including GPS and GIS programming activities, and that 48% of participants are actively involved in the development of digital maps in their districts.

Low-Emission Livelihoods Training

Cocoa Farmer Training

A subcontract to Swisscontact Indonesia Foundation (SIF) implemented CocoBEST training to nearly 1,500 farmers in the Aceh landscapes during Year 4. The program featured a series of training activities for cocoa farmers through "farmer field schools," resulting in improved cocoa farming methods to increase yields and superior product quality. Results showed about two-thirds of the trained farmers have adopted the new cocoa farming methods learned from the CocoBEST training. The program also facilitated the establishment of cocoa farming cooperatives (Sustainable Farmers Group) and nine "Village Cocoa Clinics" (VCC) to train farmers in management and marketing skills to engage with local distributors. The CocoBEST program has been instrumental in encouraging farming communities to participate in CCLA initiatives.

Rubber Farmer Training

Training for rubber farmers and rubber business cooperatives (KUBK) was aimed at improving rubber farming and post-harvesting methods to upgrade product quality for higher earnings. The program also included marketing and management training to promote direct engagement with local rubber processors. (See Component 3 for details on value-chain improvements resulting from this training.)

The training resulted in the planting of 10,000 rubber seedlings on 20 hectares of idle land, reducing the incident of fires due to increased vigilance among farmer to protect their rubber plantations.

Organic Farming Training

IFACS grantees in Ketapang, Aceh Selatan, and Aceh Tenggara landscapes conducted sustainable agriculture training for an estimated 300 farmers in villages bordering national parks and other protected or degraded forest areas in an effort to improve local livelihoods and decrease reliance on illegal logging and forest encroachment. The sustainable agriculture training series has achieved an increase in the knowledge and skills of farmers in

organic farming techniques, livestock management, fisheries, marketing and quality control of organic products. Farmers were trained in methods to make fertilizers and pesticides using organic raw materials, resulting in healthier soils and produce. Farmers who participated in the training reported the following results: an increase in income from the new organic methods; reduction in cost resulting from the use of homemade, non-chemical fertilizers and pesticides; bigger and better-tasting produce; and favorable prices in local markets.

Firefighting Training

IFACS continued its collaboration with the Environment Office (BLH) of Palangkaraya municipality to support firefighting training and capacity building in Katingan Landscape, which has trained more than 1,000 firefighter volunteers from village fire fighting teams (TSAK) from 30 villages. The TSAK were trained to identify hot spots, develop fire prevention systems and mobilize local stakeholders to participate in firefighting activities. In support of these activities, IFACS published a fire contingency guidebook this year, providing firefighting strategies and fire prevention measures to protect forest and peatlands in and around Palangkaraya. This guidebook has been used by the TSAK to help improve forest fire management for an estimated 190,000 hectares of critical peatland and forests. The implementation of a forest fire contingency plan for Palangkaraya has resulted in a significant reduction of air pollution this year, winning the municipality an award from the Environment Ministry for having the third-lowest air pollution in Indonesia.

The success of the Palangkaraya's firefighting training program has prompted the neighboring Pulang Pisau District to replicate the Palangkaraya training approach. The Pulang Pisau District allocated IDR 308 million this year to conduct pilot implementation of a forest fire prevention program, followed by a *bupati* decree to support the initiative.

Cyclops Nature Reserve Protection

IFACS collaborated with BKSDA in Jayapura, Papua, and the Jayapura District Forest Service to conduct ranger patrol training in the Cyclops Nature Reserve to foster collaborative patrolling. The 90 participants in the training program included rangers (Mitra Polisi Hutan) and the Forestry Task Force (Satuan Tugas Kehutanan) of Jayapura District. To assist in the implementation of monitoring collaborative patrolling in Cyclops, IFACS provided technical equipment including GPS devices, binoculars, and cameras. BKSDA and the Jayapura District Forest Service will follow up the training with mentoring to forest rangers and the Forestry Task Force to implement collaborative monitoring of Cyclops. (See Cyclops section in Landscapes chapter for additional details on Cyclops training activities.)

Biodiversity Monitoring Training

A subcontract to the ZSL this year implemented training in biodiversity monitoring for IFACS partner concessionaires to support private-sector implementation of CMMPs. The training was conducted in Ketapang Landscape and Katingan Landscape, where the majority of IFACS concession partners are located. Training participants included representative field officers from concessionaires, local NGOs, and the district Forestry Service. The training provided technical assistance in conducting biodiversity surveys in concession areas to assess and record impacts and threats to HCVs. (See Component 2 for detailed description of ZSL's biodiversity training program.)

IMPLEMENTATION CHALLENGES

- Limited mapping activities in local government working units (SKPDs), lack of available land-use data, and lack of GIS technical software and hardware in some districts has posed challenges for SDI development and prevents useful application of GIS training.

- While VCCs and value-chain improvements continue to foster networks for farmers to engage directly with local buyers and processors, the traditional dependence of farmers on middlemen can continue to limit market access of cocoa and rubber products.
- The lack of knowledge and support of company supervisors and senior executives of IFACS partner concessionaires participating in CMMP development threatens to limit successful implementation of the CMMPs in some concessions. The lack of widely distributed guidelines on CMMP implementation further contributes to the limited success of CMMPs.
- Additional capacity building is needed for Pulang Pisau District government institutions (e.g., the Environmental Office, the Department of Forestry and Agriculture, the Regional Disaster Management Agency, and police) to maximize effectiveness of district collaboration with IFACS on firefighting improvement strategies.
- Despite farmers' support for organic farming training and satisfaction with superior produce harvested from organic gardens, limited demand for organic products has kept local market prices low and similar to non-organic products resulting in insignificant income increases from organic farming methods.

PRIORITIES FOR FINAL WORK PLAN PERIOD

During the final months of the project, IFACS training will focus on the following key areas:

- Thematic GIS training targeted for SDI teams and NGOs
- Livelihood improvement training for local communities

MONITORING AND EVALUATION

PROGRESS IN YEAR 4

IFACS M&E has turned around over the last year following the revision of performance indicators that now provide a rational, effective guidance framework. Following contract modification and external evaluations (RIG Audit and Mid-Term Review) in Year 3, IFACS achieved M&E objectives outlined in the Year 4 Workplan to strengthen project accountability, through systematic assessment of results against established targets.

Key M&E achievements in Year 4 included (1) a developed project results framework; (2) a revised PMP to reduce performance indicators from 27 to 16; (3) hiring three field-based M&E coordinators, one each in Papua, Aceh, and Kalimantan, to support field-based M&E needs; (4) development of a management information system (MIS) to strengthen data precision, accuracy, and timelines for USAID reporting and internal learning and accountability; and (5) integrated evaluative culture into day-to-day project management both in the Jakarta and regional offices.

Despite some difficulties encountered by project staff in adapting to the new MIS technology, the MIS has proven very useful and effective in assisting senior managers in monitoring Work Plan delivery. It has enabled informed and sound management decisions and, along with the new results framework, has provided clear guidance to staff. Unlike in previous years, the current performance indicators have allowed for systematic tracking of benchmarks and incremental achievement. Field results have been acknowledged and recorded using the new indicators. A good example is the new Indicator #2—number of districts with draft spatial plans incorporating recommendations from the SEA—that now allows IFACS to measure and monitor progress in SEA development. Previously, in the old PMP, there were no indicators to measure SEA progress.

IFACS has also benefited from the presence of M&E coordinators in the field. Albeit limited in terms of number of personnel to maintain data in eight landscapes, each coordinator has demonstrated high commitments in assisting delivery of PMP indicators in the field. They also provided assistance to IFACS grantees and subcontractors to help them understand the project's objectives and provide hands-on assistance in data collection and reporting and proposal design. M&E field staff also conducted routine visits to project sites, working collaboratively with persons in charge (PIC), this allowed them to observe project implementation and verify results. Evaluations conducted by M&E allowed beneficiaries to provide useful feedback about the project (both positive and negative), which were then brought to the attention of project managers. M&E findings have led to substantial improvements in the way field activities are managed, including amendments to grant agreements, provision of additional resources, and repetition of training activities.

Regular M&E meetings were conducted in the IFACS Jakarta office throughout Year 4. Besides discussing technical M&E issues, the meetings contributed to improved communication between Jakarta managers and regional field staff and helped enhance understanding of the PMP and M&E tools. M&E team members have also joined web-based peer group discussions, such as the Indonesian M&E association (InDEC), American Evaluation Associations (AEA), Sustainable Development Solutions Network (SDSN), SEA-Change (an Asian Community of Practice for Monitoring and Evaluation of Climate Change Interventions) and REDD Indonesia. These online discussion groups have allowed M&E staff to continually update their knowledge and understanding of M&E to provide useful inputs to the project.

IMPLEMENTATION CHALLENGES

As with any project aiming to sustain long-term impacts, linking IFACS activities to long-term reductions in deforestation and greenhouse gas emissions is an ongoing challenge given the time limits of project implementation. The end-of-project evaluations will be critical to providing a clear picture of how IFACS activities have contributed to the project's ambitious objectives.

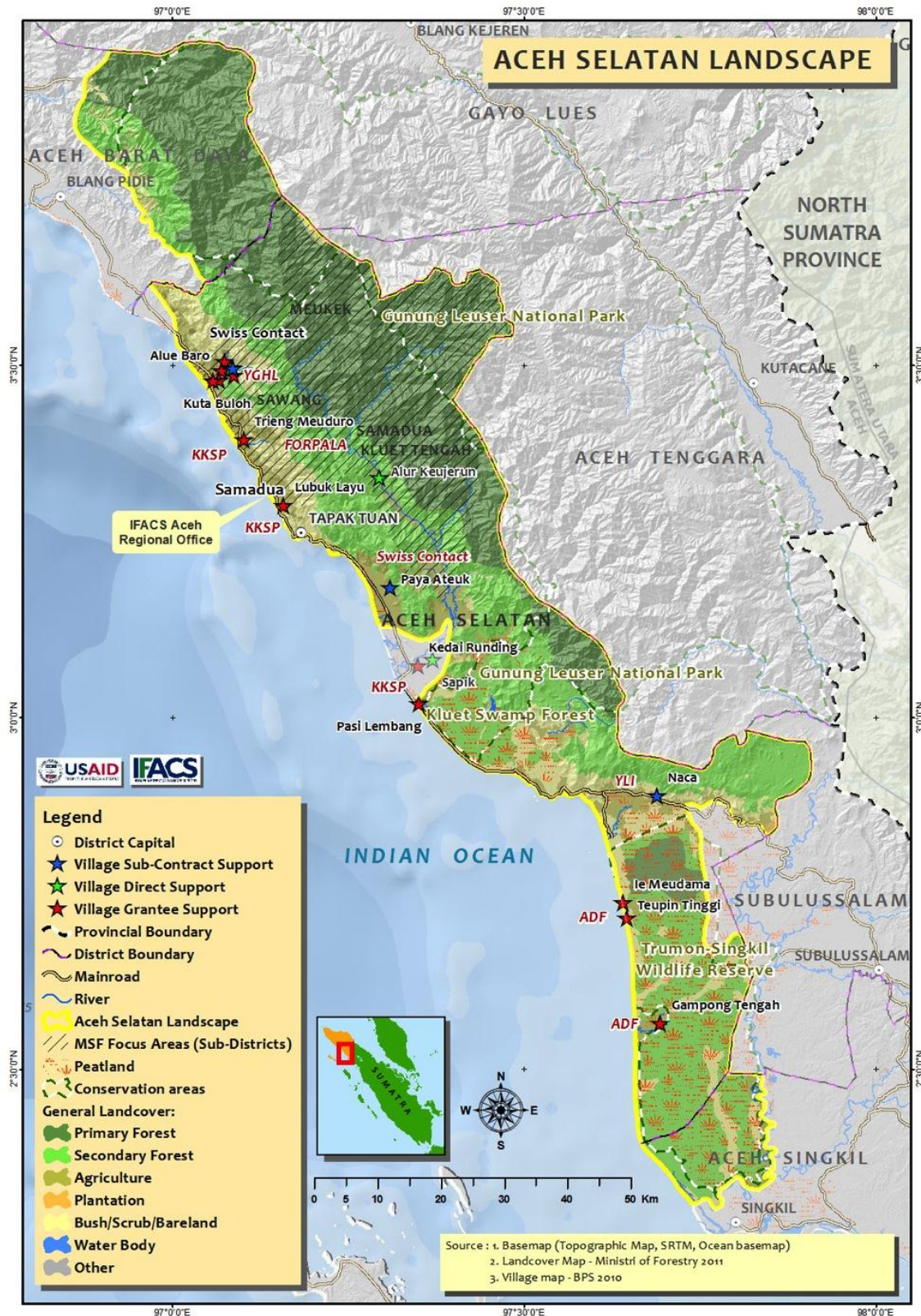
PRIORITIES FOR THE FINAL WORK PLAN PERIOD

IFACS M&E will devote the final months of the project to efforts to lead final assessment of the project through impact evaluations. This activity is expected to allow the project to learn about how and to what extent some programs are working in terms of the more direct IFACS outcomes accomplished. M&E will also play a critical role in knowledge management by identifying, capturing, evaluation, retrieving, and sharing all of the project's information assets such as best practices, expertise, and lessons learned.

To conduct impact evaluations, IFACS will recruit a team of evaluation and technical specialists to independently provide assessment results. IFACS M&E will encourage the use of USAID evaluation principles to ensure the design and methodology used in evaluations generate the highest quality and most credible evidence corresponding to the questions asked. According to these principles, IFACS will strive to provide credible evidence that relies on sound social science methods and tools to minimize the need for evaluator-specific judgments and that ensures, to the greatest degree possible, that if another well-qualified evaluator were to undertake the same evaluation, he or she would arrive at similar findings and conclusions.

Considering the wide range of IFACS interventions, IFACS will most likely focus its evaluation on the project's two key strategic themes, namely SEA/LEDS and CCLA. Evaluation questions will aim to explain causality and address sustainability of results beyond the life of the project. Acknowledging the problem of attribution, with this impact assessment, evaluators will be asked to seek evidence that SEA/LEDS and CCLA initiatives have indeed had significant impacts in the IFACS landscapes.

IFACS LANDSCAPES



ACEH SELATAN LANDSCAPE

The Aceh Selatan Landscape covers about 500,000 hectares and stretches 100 kilometers along the western coast of Aceh Province and inland to the lower slopes of the Bukit Barisan Mountain Range. Forests in this landscape are part of the Leuser Ecosystem, a 2.6-million-hectare expanse of one of the most biodiverse tropical rainforests in Southeast Asia, featuring the last remaining habitats of the Sumatran orangutan, Sumatran elephant, Sumatran rhinoceros, and Sumatran tiger. This landscape also features two of the Aceh Province's three largest patches of peat swamp forest, which are known to have the highest density of orangutan populations in Indonesia.

The district of Aceh Selatan comprises the focal district for IFACS work in this landscape. Given the mountainous terrain and narrow coastal strip, IFACS has prioritized sustainable watershed management as a key conservation target and entry point for low-emissions development in the landscape.

PROGRESS IN YEAR 4

Improving Governance in Aceh Selatan

The MSF in Aceh Selatan Landscape, FORLAST, was reconfigured in Year 4 with IFACS support. A bupati decree is currently being drafted to institutionalize FORLAST. Working with a wide range of stakeholders continues to pose complex challenges, but FORLAST has established itself as a strong forum for facilitating multi-stakeholder engagement in forest conservation and climate change initiatives. Key FORLAST activities this year included MTDs, climate change communications campaigns, and CCLA development. FORLAST has also worked effectively with local officials, winning their support in enacting village regulations (*reusam*) to improve forest protection, especially in critical watershed areas.

Since its formation in early 2014, FORLAST has collaborated successfully with local government agencies, such as the Forestry and Plantation Agency, and encouraged harmonization of district programs with those of IFACS and partners (such as Swisscontact, YLI, KKSP and Forum Pala). Through this approach, FORLAST has been successful in leveraging increased budgets in 2014 to rehabilitate forests; prevent damage to the environmental services, forests, and plantations by grazing animals; increase the availability of seeds for planting; control nutmeg crop pests and disease; and update environmental databases that support IFACS initiatives. The total funding leveraged to date from the Forestry and Plantation Agency amounts to more than US\$1 million.

IFACS subcontractor YIPD facilitated the completion of the SEA this year. Following public consultations to discuss SEA recommendations, Bappeda Aceh Selatan agreed to closely assess SEA recommendations for future revisions of the spatial plan. A series of MSF workshops also have provided critical input in developing the LCP to try to influence spatial planning in the district.

IFACS also facilitated GIS training to build technical capacity for mapping of HCVs and managing land-use data to monitor the spatial plan. About US\$150,000 of district funds were leveraged to support GIS training and finalization of the SEA. A bupati decree was issued in August authorizing the establishment of an SDI for Aceh Selatan District. (See Component 1 section for additional details on public funding leveraged for SEA-LEDs.)

The MSF has taken an active role in pushing CCLA implementation in nine villages closest to the border of Gunung Leuser National Park. Its monthly thematic discussions resulted in strong commitments from a broad range of stakeholders in Aceh Selatan to tackle climate change and culminated in the development of a local regulation (*qanun*) to improve natural resources management in the district.

FORLAST also led a communications campaign to promote climate change awareness in local communities, working with religious leaders to disseminate environmental messages during the month of Ramadan and Friday prayers. In its third year, this approach of spreading climate change messages through religious sermons has reached more than 6,500 people in 20 villages and has increased awareness of the importance of natural resource conservation.

Improved Forest Management

Subcontractor YLI has finalized a forest restoration project in a 2,700-hectare degraded area known as the Trumon Corridor to connect orangutan habitat in the Singkil wildlife reserve and Gunung Leuser National Park. Working with community volunteers from two villages, YLI facilitated cultivation of tree seedlings and in village nurseries then replanted them in 100 hectares of degraded land. YLI also has convinced the Aceh Selatan District government to support a proposal to change the classification of the wildlife corridor area into a protected *taman hutan raya*, or forest park.

A subcontract to FKPSM facilitated collaborative patrol trainings and an ecotourism development plan to support conservation efforts for the Trumon Corridor. About 63 regular volunteers now take part in the collaborative patrols to monitor activities inside the wildlife corridor to prevent illegal logging, poaching, agricultural encroachment, and to reduce conflict between human and wildlife. Patrol findings have shown a significant reduction in illegal logging, and elephant-human conflict in the Trumon Corridor has dropped to zero this year. (See story below on conservation progress achieved in the Trumon Corridor.) A carbon development project aims to develop sustainable livelihood support through the development of alternative economic resources, such as ecotourism and fisheries.

IFACS, in collaboration with grantees, subcontractors, and the MSF FORLAST, has developed 42 CCLAs to date in the Aceh Selatan District. CCLA development this year continued aiding communities in identifying priority targets conservation based on biodiversity, ecosystem services, and cultural values. CCLAs in this district were strengthened through village *reusam*, or local regulations, based on local traditional wisdom and backed by strong support from government and local communities. Farmers have agreed to conserve forest and avoid hunting wildlife that serve as important predators of farm pests. To date, CCLAs have resulted in the improved protections for an estimated 9,000 hectares of forest and degraded land in this landscape.

Community Livelihoods

A grant to KKSP has supported a women's livelihood development program in three targeted villages—Pasio Lembang, Kedai Runding, and Lubuk Layu—bordering Gunung Leuser National Park. About 100 women were trained in peanut and soy horticulture to support their livelihoods. Training included value-chain development to help the women market their *tempe*, soymilk, and *asinan* nutmeg products. The women received support from the Aceh Selatan Cooperative Agency to develop small businesses, and they received business management coaching from the UKM Center of Syiah Kuala University, Banda Aceh. Results from the KKSP project show about 40% of the women participating in the training programs have started new businesses that are bringing additional incomes to their households.

Livelihood development training for cocoa farmers was expanded this year under a subcontract extension to Swisscontact Indonesia Foundation (*Yayasan Sahabat Cipta*) that trained an additional 580 farmers in the district. Benefits from the SIF farmer field schools were strengthened this year through engagement with the private sector PT Mars Inc., PT. Cocoa Ventures Indonesia, and BRI to promote marketing and business development

opportunities for cocoa farmers. (See Component 3 for more details on IFACS value-chain work.)

A grant to FORPALA continued to support nurseries cultivating seedlings grafted from forest nutmeg root stock and commercial variety shoots to combat a fungal disease that has destroyed the nutmeg industry in the district. To date, about 1,500 nutmeg farmers have participated in the program. FORPLA also established a composting processing center in Lhok Keutapang village to produce and distribute compost to nutmeg farmers.

Climate Change Vulnerability Assessment (CCVA)

Subcontractor FIELD has completed CCVA and action plans for 20 villages in Aceh Selatan, using a sustainable livelihood assessment (SLA) approach to develop climate change action plans. Participating villages have documented that climate change has already begun to impact local livelihoods and that they have already experienced the impacts of climate change, including: droughts, reduced river flow, more frequent floods and storms, reduced crop yields, temperature increases, and uncertain seasons that are changing rice planting schedules. FIELD's pilot activities have focused on coastal rehabilitation to reduce erosion and restoration of degraded land in critical watershed areas to help reduce floods and landslides. FIELD also has established an informal network of local stakeholders to begin the socialization process to gain district government support for climate change adaptation strategies.

IMPLEMENTATION CHALLENGES

- Obstacles that hindered implementation or progress in Aceh Selatan included frequent turnover of government staff, delaying implementation of projects. New staff members needed time to familiarize themselves about IFACS initiatives, while outgoing staff moved on to different positions unconnected to IFACS activities and took with them experience gained. Frequent rotation led to insufficient understanding of SEA-LEDS and reluctance to engage in the process.
- The holy fasting month of Ramadan and Eid holidays in July–August resulted in substantial slowdown in implementation of IFACS activities.
- The establishment of the SDI with the bupati decree was very late in development. Attaining significant development and ensuring sustainability of the embryo network will be challenging in the project's remaining time.

PRIORITY ACTIVITIES IN ACEH SELATAN

- Completion of remaining CCLAs and measuring impact in terms of hectares under improved management
- Supporting integration of SEA into the district spatial plan and potential alternative scenarios for GHG emissions reduction
- Completing the initiative to establish a local regulation on natural resources management in Aceh Selatan as part of the FORLAST action plan
- Exploring potential sources of additional funding support from local partners

SAVING BIODIVERSITY IN THE LEUSER ECOSYSTEM



NACA VILLAGE, ACEH SELATAN—Nestled in one of the last true wilderness areas of Indonesia, villages bordering Gunung Leuser National Park are joining forces with local activists to help save the last remaining populations of Sumatran orangutan in these forests.

The Leuser Ecosystem features one of the world's largest swaths of rainforest that host orangutan and other endangered species, including the Sumatran

rhinoceros and Sumatran tiger. The forests are also home to more than 100 species of mammals, 400 species of birds and an estimated 4,000 plant species. With the rapid expansion of oil palm and encroachment from farming activities in adjacent villages, high rates of deforestation are posing growing threats to these critical wildlife habitats.

The Leuser International Foundation (YLI), through a subcontract with USAID IFACS, is working with community and national park staff to expand orangutan habitat in the Leuser Ecosystem. A plan to restore a 2,700-hectare stretch of degraded forest to create a wildlife corridor, known here as the Trumon Corridor, aims to link orangutan habitat in Gunung Leuser National Park with the nearby Singkil Swamp Wildlife Sanctuary, known to contain one of the region's densest population of orangutan.

YLI is leading restoration efforts through community reforestation activities and collaborative forest patrols. The YLI mission in Leuser, explains YLI head Mr. Syahrul, is to boost protection of the national park and Trumon Corridor through collaborative management involving national park staff, village residents, and district government in order to preserve the region's rich biodiversity.

"To preserve biodiversity is to preserve life," says Mr. Syahrul.

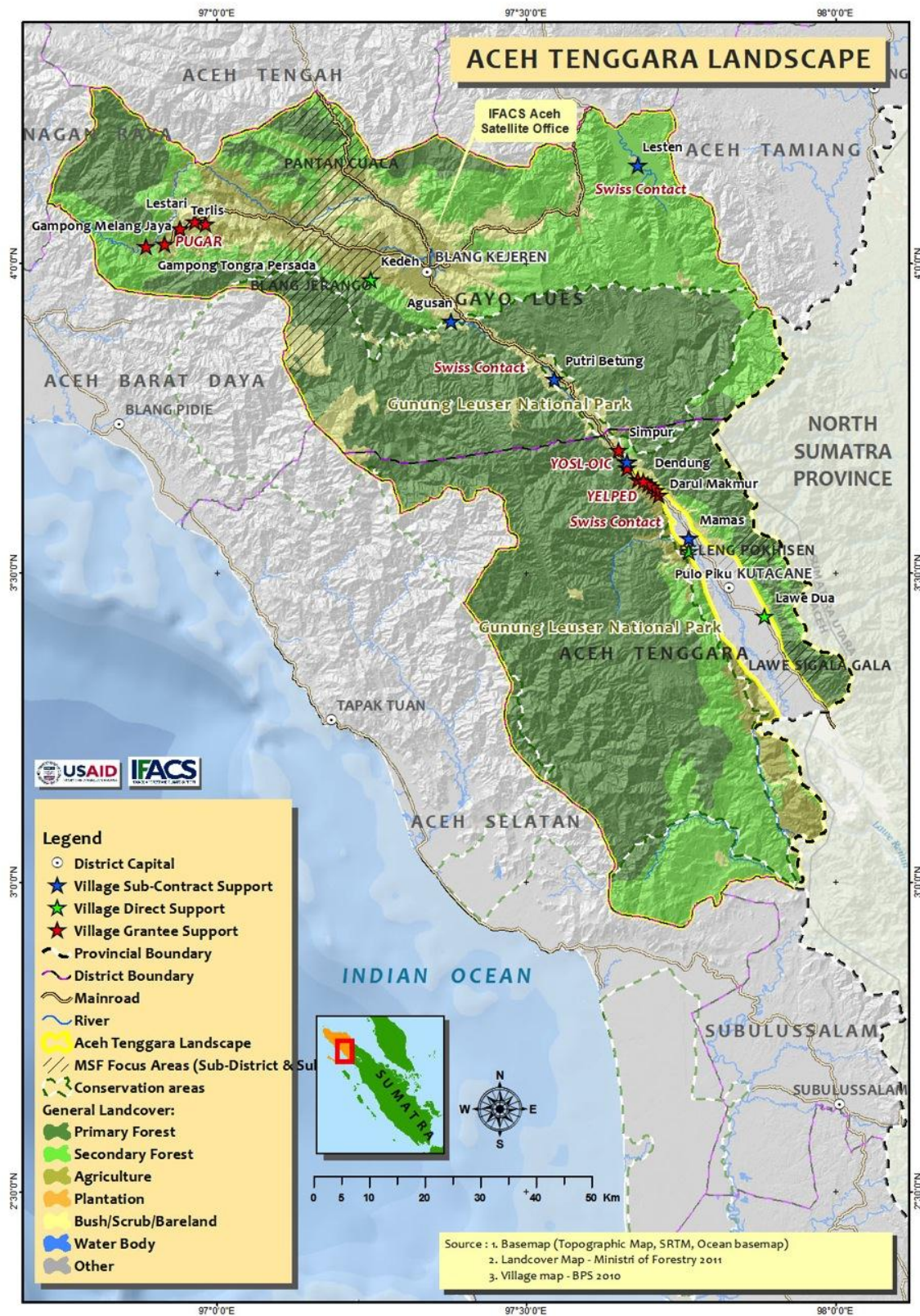
A YLI nursery in Naca Village, adjacent to the Trumon Corridor, is growing 132,000 tree seedlings for villagers to plant in 400 hectares of the most degraded areas of the Trumon Corridor. Village farmers are also growing *petai* beans in the nursery for villagers to sell in the local market. The program has drawn the participation of about 80 village residents. Along with training in silvicultural techniques for reforestation, YLI also provides training in organic farming methods.

"By getting community members to participate in both growing the tree seedlings for reforestation and planting beans that they can sell at a good price, we hope they will be convinced to avoid farming activities and logging in Trumon," Mr. Syahrul explains. "So far, the community response has been very supportive."

YLI is also collecting biodiversity data in the Trumon Corridor forests to support a proposal to the Ministry of Forestry to reclassify the area's land-use status to provide greater protection for the Trumon Corridor area. YLI has engaged directly with local district officials and the district Forestry Office to bolster this conservation initiative.

In September 2014, the district head of Aceh Selatan granted his approval for the proposal to rezone the Trumon Corridor area from its current status as non-forest, multi-use land (APL) to a "special protected area," or *taman hutan raya*. The proposal now awaits approval by the Ministry of Forestry.

ACEH TENGGARA LANDSCAPE



The Aceh Tenggara Landscape covers about 950,000 hectares and extends across two districts, with two-thirds of the area comprising Gayo Lues District and the remainder in Aceh Tenggara. Most of the Gunung Leuser National Park and a significant portion of the Leuser

Ecosystem is located within the Aceh Tenggara District. This area retains good orangutan habitat (21% of the landscape) and supports a wide range of other endemic biodiversity, including the rare and newly rediscovered Sumatran rhino, Sumatran elephant, Sumatran tiger, and tapir.

The population of the two districts is close to 250,000, with centers of population restricted to the larger river valleys. Economic activities in this landscape are predominantly in the agricultural sector, with 90% of the population earning their livelihoods from farming activities. The districts are known for their cacao, coffee plantations, and patchouli fields. The fast-growing economy in Gayo Lues and Aceh Tenggara Districts has placed added stress on the forested landscape. Agricultural lands in the Aceh Tenggara landscape valleys are limited, causing significant expansion pressure and forest encroachment. In addition, some steep areas that should be maintained under forest cover have been proposed for expanded agriculture by the government. Many of these areas are already deforested from encroachment and illegal logging, which are still considered a major problem in the landscape and a precursor to agricultural expansion.

Due to the unique set of conditions in this landscape—its remote location, steep topography, and limited population of rural farmers—there is great potential to promote low-emission development strategies (LEDS) that promote high-quality, specialized agroforestry products with tangible economic benefits for communities; protect forests; and reduce the potential of catastrophic disasters. The beautiful setting of Gayo Lues and Aceh Tenggara also offers great potential for major tourism development, although their remote locations present significant obstacles.

PROGRESS IN YEAR 4

Improving Governance in Aceh Tenggara

MSFs in Gayo Lues and Aceh Tenggara Districts (FMUL and FoLAT respectively) finalized their charters early in the year and implemented activities according to their action plans.

FMUL is now embedded in most aspects of the IFACS project in Gayo Lues. FMUL worked with the district environmental office to draft and issue a district regulation, or *qanun*, for environmental protection. This was backed by FMUL's successful leveraging of district funds to support conservation initiatives. (See Component 1 for additional details on Gayo Lues District funding support.)

Both MSFs have used a watershed approach to define MSF interventions and focus areas in Rutong/Desky, Lawe Bulan, and Lawe Srit Meluak subcatchments (Aceh Tenggara) and Penosan Sepakat, Pantan Cuaca, and Umeu Pamu subcatchments (Gayo Lues). FMUL developed a "Payment for Environmental Services" project and assisted in the development of a community watershed forum in Penosan Sepakat (FAJEM) as well as a village-level regulation for the protection of the watershed. FOLAT replanted and restored watersheds in collaboration with BPDAS.

FMUL and FOLAT provided valuable input in finalizing LCPs to promote conservation in spatial planning. LCPs have had a large impact on increasing conservation values and priorities for action and will be harmonized with SEA-LEDS recommendations for protecting HCVs, particularly in the Leuser Ecosystem.

Completion of SEAs in both districts were followed by public consultations to present SEA-LEDS recommendations for the spatial plan. (See Component 1 section for details on SEA-LEDS development in Aceh.) Enthusiasm for SEA-LEDS was highest in Gayo Lues, with the bupati instructing subdistrict heads to help protect all remaining forests and shifting development onto neglected and degraded lands. In Aceh Tenggara District, the SEA public

consultation process garnered wide support for forest conservation and emission reductions and encouraged the government to issue a bupati decree to authorize integration of SEA recommendations into future district land-use policies.

IFACS continued training in satellite data interpretation to MSF and GIS Forum members to improve capacity for spatial planning and spatial data management, both through direct implementation and with the collaboration of grantee PelaGIS. This capacity will be used to monitor deforestation in the districts and motivate government staff as village mapping facilitators in Gayo Lues. GIS capacity in Aceh Tenggara will be used in the preparation of proposals to access special autonomy funds at the provincial level.

An SDI network has been established in Gayo Lues, backed by a bupati decree for its official establishment. The SDI has developed a spatial database for Bappeda Gayo Lues to structure and apply data according to Geospatial Information Agency (BIG) standards. GIS Web training has helped speed up the connection of spatial data from Gayo Lues Bappeda with BIG. IFACS has leveraged support to develop an SDI office to support implementation of this work.

In Aceh Tenggara District, FMUL ramped up its communications campaign to promote climate change awareness, conducting outreach efforts in 20 schools in Blang Kejeren and Blang Pegayon that reached more than 2,000 students and 88 teachers. MTDs led by FMUL and FOLAT brought together district government officials and community leaders to address climate change issues and develop adaptation strategies. Capacity development to support FMUL and FOLAT communications work during Year 4 included training workshops to improve writing skills and understanding of environmental issues, website development, and the establishment of a journalist network (Jaringan Penulis Komunitas Bentang Alam Leuser). FOLAT members produced a short documentary film, *Hutan Leuser (Bukan) tanah Haram*, about land tenure conflicts around Gunung Leuser National Park. The film features the CCLA scheme as a promising solution for reducing conflict. It has been selected by the district government as one of five best Aceh documentaries in 2014.

Religious and traditional leaders continued to disseminate climate change messages during Friday prayers. This is the third year that this approach has been applied to effectively convey climate change information to about 40 villages and has included the participation of the district Department of Religious Affairs, the Syariah Office, the Ulama Assembly, and Islamic boarding schools.

Improving Forest Management

YOSL-OIC worked with Gunung Leuser National Park authorities to improve forest management in seven subunits (known as resorts) of the national park. After identifying threats and priority areas to target wildlife patrols, YOSL-OIC conducted training with resort staff to strengthen institutional capacity for collaborative patrolling. A broad group of stakeholders participated in the training, including the district Forest Service (Dinas Kehutanan), Police Department, Community Forest Police partners, community members and the national park forest rangers. A subcontract to FORINA also supports community-based protection of orangutan forest habitat around Ketambe, Aceh Tenggara District, in collaboration with OIC, the National Park Authority, local tourism operators, and village representatives. (See Component 2 for more details on collaborative patrol initiatives.)

YOSL-OIC also initiated a collaborative management action plan for Gunung Leuser National Park-Unit III (Blangkejeren) to support conservation activities inside the park. The action plan was completed this year and received support from the local government, military commanders, police force, and the head of Leuser National Park. Park monitoring has been strengthened through the establishment of the SMART patrol system introduced

by IFACS subcontractor ZSL in Kalimantan. (See details about SMART biodiversity monitoring on page 41.)

Efforts to promote community participation in conservation programs were accelerated through CCLA development, which resulted in the signing of 45 community agreements in Year 4. MSF members assisted villagers in identifying HCVs in their area and helped develop CCLAs to support improved management of these HCVs.

Community Livelihoods

Low-emission livelihood development was strengthened this year through the active engagement of IFACS partners in Aceh Tenggara. PUGAR's sustainable forest management project in Terangon reached 125 cacao farmers using Swisscontact-trained trainers and government field facilitators. IFACS grantee Aceh Green Community conducted training for 400 farmers in the production of palm sugar and fiber, and YELPED trained communities in tending an agroforestry nurseries and planted tree seedlings in 120 hectares of degraded land. YELPED also provided technical training on vegetable cultivation and organic fertilizer production, resulting in income improvements through increased yields. (See Grants section, page 121-125 for details on grantee project results.)

Subcontractor to Swisscontact Indonesia (now known as *Yayasan Sahabat Cipta*) finished their cacao field farmer schools under CocoBEST I introducing GAP and GEP. SIF secured a subcontract this year to expand this program to cover an additional 770 farmers in 20 villages from the two districts following the same approach, but with more emphasis placed on post-harvest cacao value chains. All CocoBest field schools were completed this year. Funding leveraged from this program has totaled about IDR 975 million, from district and provincial governments and community contributions.

Grantee YOSL-OIC facilitated sustainable cocoa certification for cocoa produced in Ketambe, Aceh Tenggara, working with *Lembaga Sero Liman* (LESOS) to verify sustainable production and expand marketing efforts for organic cocoa from Aceh to reach international markets. YOSL-OIC also produced a documentary promoting sustainable livelihoods development as an effective strategy to adapt to climate change. To encourage production of organic cacao for sustainable cocoa certification, IFACS also forged relations this year with PT. Cocoa Ventures Indonesia (PT CVI) in Aceh, which has provided quality control training and improved market access for cocoa farmers. (See Component 3 section, page 46 for details on IFACS value-chain work in this landscape.)

Climate Change Vulnerability Assessment (CCVA)

Subcontractor FIELD has completed all Climate Change Vulnerability Assessment and action plans in 19 villages in the Aceh Tenggara Landscape through the implementation of an SLA approach. Implementation of the action plans has begun in some villages with activities such as agriculture improvement (through system of rice intensification, or SRI), composting, and seed cultivation for restoring degraded land.

Carbon Project Development

A draft carbon project concept note (PCN) has been finalized by subcontractor PT Hydro Program Indonesia. The proposal—*Developing Penosan Sepakat as a protected water catchment area and carbon conservation*—aims to develop carbon credits through the protection of a critical watershed in Gayo Lues that is providing drinking water to surrounding communities. A small initial area of 700 hectares was extended to 5,000 hectares this year based on LCP input, wider strategic vision of FAJEM, and identification of HCVs in the wider water catchment area. The PCN programs include biodiversity and forest protection from

agricultural encroachment and fire, water management, and improving local economies based on sustainable land-use management.

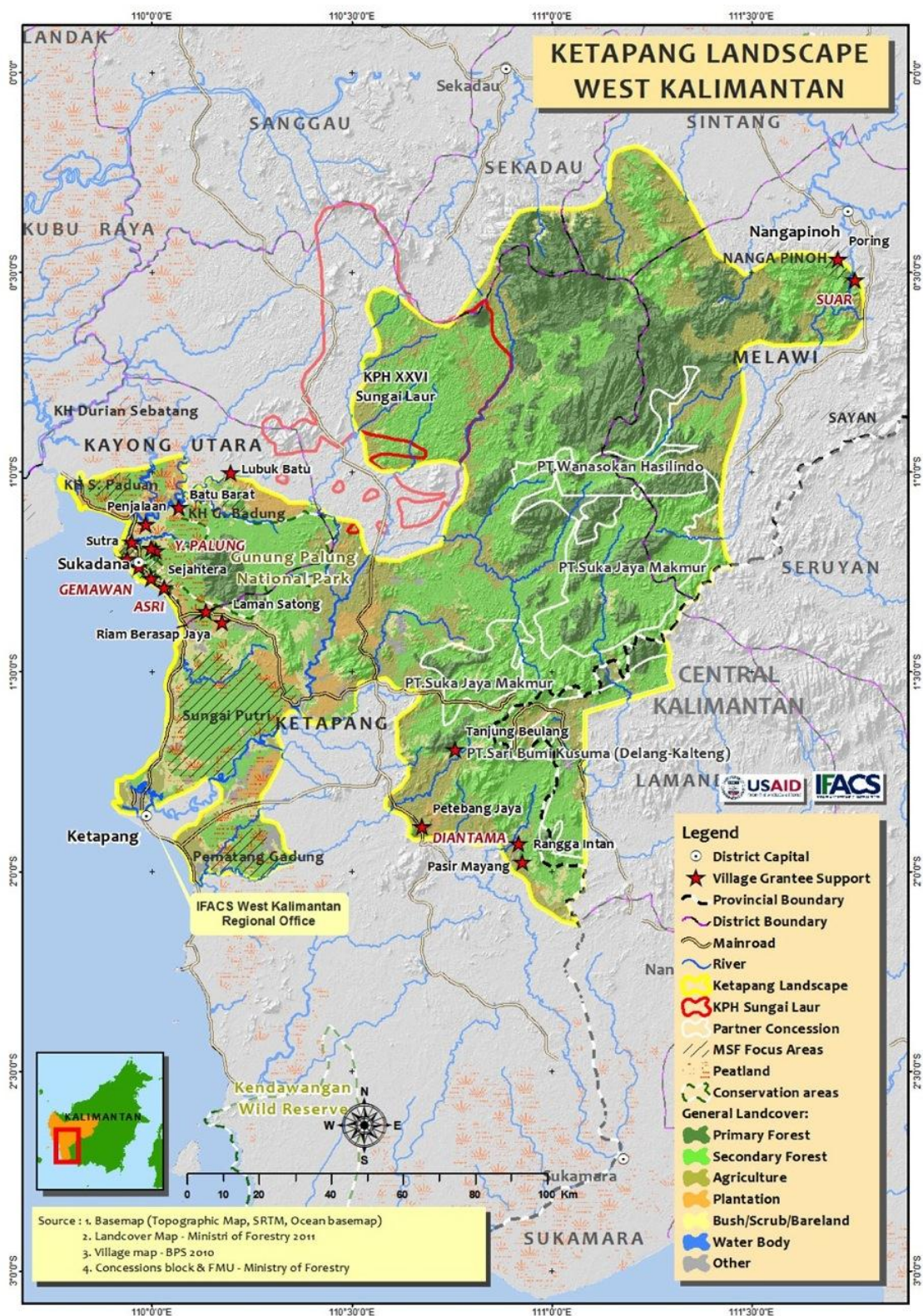
IMPLEMENTATION CHALLENGES

- While the majority of villages in Aceh were supportive of CCLAs as important for promoting conservation, some villages rejected CCLAs due to unresolved land boundary issues, in areas bordering Gunung Leuser National Park.
- FOLAT has not clearly defined long-term strategies for sustainability, and more support from the IFACS team is needed to develop this.
- Lack of support from the Aceh Tenggara government in coordinating the climate change issues showed through lack of progress in the development of SDI and SEA-LEDs.
- The procurement process has delayed some program activities.
- Legislative election and presidential elections caused delays in IFACS field implementation.

PRIORITY ACTIVITIES IN ACEH TENGGARA

- Completion and monitoring of CCLAs and handover to local government
CCLAs completed during Year 4 will be monitored to ensure increasing capacity and ownership.
- Finalization of assistance to Gunung Leuser National Park-Unit III by OIC
- Integration of SEA recommendation with LCPs delivered to the district and provincial levels
- Conclusion of improved livelihoods through cacao training and value-chain development
- “Lessons learned” workshop for project closeout

KETAPANG LANDSCAPE



The Ketapang Landscape, located in West Kalimantan Province, covers an area of nearly 2 million hectares. Forests in this landscape are among the most diverse in Indonesia, including reasonably large areas of lowland and hill dipterocarp tropical forest. The landscape features Gunung Palung National Park, comprising 90,000 hectares of protected forest and home to a wide variety of birds and mammal species, including dense populations of orangutan. Extensive peat swamp forests are present along the coast from Gunung Palung National Park to Ketapang City. These peatland areas and orangutan habitats still retain much of their forest cover, but large areas have been gazetted for conversion to oil palm. Illegal logging and fire also present grave threats to this vulnerable landscape.

Many navigable rivers flow across West Ketapang, providing easy river access to the interior of the province, which has exposed the region to many decades of degradation, initially from conversion to smallholder agricultural and agroforestry near rivers, and increasingly from deforestation. Economic development in the province is now booming and is the main pressure behind forest loss. During the last 50 years, much of the province has been logged for timber, and increasingly for large-scale oil palm plantations and industrial tree plantations for pulp and paper. Forests still cover about 57% of land area in this province, but these areas face increased threats from expanding oil palm concessions, mining operations for gold and zircon, and illegal logging often carried out by local communities.

There are good opportunities for low-emission development with community participation and partnerships with the private sector—primarily timber concessions and oil palm—to adopt best management practices to promote sustainable logging practices and forest management. IFACS activities in this landscape are targeted in three focal districts: Melawi, Ketapang, and Kayong Utara.

PROGRESS IN YEAR 4

Improving Governance in Ketapang

MSFs in the IFACS focal districts in Ketapang Landscape developed at differing rates throughout Year 4. All charters were finalized and work plans completed. But the most active, achieving the most results, was the MSF in Kayong Utara District (*Rumah Ide*). The MSF in Melawi (*Forum Peduli Perubahan Iklim*) has suffered from lack of IFACS attention in this remote district, and the Ketapang MSF (*Sekber Penggiat Konservasi Kayong*) has suffered from lack of stakeholder engagement.

“Sunset discussions” in Kayong Utara districts resulted in better collaboration on conservation activities among MSF members, especially in the Gunung Palung National Park buffer zone and in development of regional ecotourism. The MSF actively supported outreach activities, including exhibitions, communications training for print media organizations, and a series of climate change discussions involving local journalists to cover and produce short films on climate change and the CCLA process. Films were aired on local RUAI TV, reaching more than 2 million viewers in West Kalimantan and stimulating public interest in IFACS and climate change issues. News articles and photographs were published frequently in local media outlets.

The increased visibility of IFACS and MSF activities has prompted the *bupati* of Kayong Utara to develop a plan to turn the district into a “Green Conservation District” and issued a decree to promote conservation in the Gunung Palung National Park buffer zone. The decree allocates land for rice production to encourage communities to farm rather than partake in illegal logging or sign more oil palm permits, and it supports the development of ecotourism as a low-emission strategy for providing another alternate source of livelihood. Local communities previously felt alienated by the National Park and received little support from the local government. Through this policy, the MSF has been able to secure more positive community attitudes towards conservation.

Flora and Fauna International (FFI) and the WWF, in collaboration with the MSF, successfully engaged religious, traditional and community leaders from 15 grantee-assisted villages to disseminate climate change messages to local communities. This approach helped facilitate a significant change in the attitudes of villagers, most of whom were initially suspicious of the IFACS project but have since become enthusiastic supporters of the IFACS conservation initiatives in their villages.

IFACS and the MSF Ketapang hosted a workshop with local stakeholders this quarter to develop the potential for ecotourism around the national park. Results from the workshop included: (1) the development of an organizational structure for a multi-stakeholder tourism board charged with accelerating sustainable development and integrating recommendations from the workshop into a District Tourism Master Plan; and (2) the establishment of an Ecotourism Management Group in the village of Sedahan Jaya, supported by national park authorities and the Tourism Office in Sukadana, Kayong Utara District.

LCPs have been finalized and have identified strategic focus areas for conservation activities in all three districts of the Ketapang Landscape. The Ketapang MSF has identified HCV areas in Sungai Putri and Pematung Gadung for replanting orangutan habitat, and this led to a plan for conservation activities with the village forest (*hutan desa*) to manage peat areas and prevent orangutan-human conflicts. In Kayong Utara, the buffer zone for the national park has been surveyed, and an MSF action plan is in development for collaborative forests patrols between TNGP, ASRI, and JICA. In Melawi, implementation of community conservation and livelihoods agreements is adding information for the further development of the district LCP.

SEAs have been completed in all three districts. Ketapang District, formerly an unenthusiastic participant of the SEA process, offered “a model approach” for the other two districts, with writing teams analysing impacts of the current district spatial plans and making recommendations for integration into the spatial planning documents. Increased understanding and capacity of the SEA writing teams in all districts have led to high levels of confidence to deliver the findings of the SEA and LEDS analyses at public consultations. Final public consultations of the SEA process and recommendations were held in all districts. The discussions were well attended, and many participants, especially in Melawi with over 150 participants, urged their district governments to integrate SEA-LEDS recommendations into the spatial plan. Important inputs such as spatial data validation, traditional land-use rights, natural resource exploitation (legal and illegal, such as oil palm expansion and mining), and strategies to implement LEDS activity were received.

GPS application and raster data management training was provided for GIS users from Ketapang, Melawi, and Kayong Utara (KKU) Districts and increased the human resource capacity of embryo SDIs in Melawi and KKU, and other government staff and NGOs in Ketapang. SDI development has now been prioritized in Melawi and Kayong Utara districts, where there has been a greater amount of reception for developing an SDI network to gather, verify, and share spatial data. A draft bupati decree was issued in Kayong Utara for the establishment of an SDI working group. At the end of Year 4, IFACS hired consultants to fast-track the development of SDI networks in Melawi and KKU and to prepare a roadmap for SDI development.

Improved Forest Management

IFACS subcontractor ZSL has completed practical training in conservation and biodiversity surveys for conservation management and monitoring plans completed earlier in the project. Training involved concessionaire staff, government and NGOs and was hosted by PT. Suka Jaya Makmur in Tanjung Asam and PT. Sari Bumi Kusuma of Delang Base Camp. IFACS partner TFF has already concluded its RIL training with timber concessions in the landscape.

Monitoring in three concessions in the landscape has demonstrated that RIL and monitoring training, as well as the conservation management and monitoring plans completed earlier in the project, have been effective in improving management with recommendations being implemented.

TFF has held sustainable forest management workshops in Ketapang and Melawi districts to share information on SFM approaches and on how communities can implement SFM. Participants gained a greater understanding of RIL, the important role that concession can play in maintaining forest values, and the value of the landscape conservation plans in supporting SFM across the three Ketapang landscape districts.

IFACS promotion of community best management practices through the development of CCLAs has made significant progress with the signing of 21 agreements in the landscape, exceeding a targeted 19. Seven of these CCLAs have been signed in Melawi district, facilitated by grantees SUAR and SAMPAN covering an area of more than 130,000 hectares of forest. Agreements in the villages of Poring and Senempak in Melawi District have been posted and have become a model for improved management to prevent environmental degradation by the community. The highly visible CCLA billboards contain information for communities and other parties from outside the area to respect "rules" and community values. In Ketapang District, eight CCLAs were signed covering a combined area of about 250,000 hectares of forest earmarked for conservation. In the village of Kepari, the CCLA was further strengthened by enacting a yearly "*adat*" ritual to protect the forest. In Kayong Utara District, and six CCLAs were signed. In Ketapang Landscape, a combined area of about 170,000 hectares of forest has been earmarked for conservation by communication. IFACS staff and partners are currently monitoring the effectiveness of completed CCLAs.

Yayasan Palung made progress developing village forest management (*hutan desa*) schemes for six villages around Gunung Palung National Park, through mentoring activities on natural resource conservation, strengthening village forest management bodies (LPHD) and promoting community forest management rights and obligations. Communities in Padu Banjar and Penjataan villages now have a better understanding about strategies for conserving their forests and have improved management of these community forests. These activities have received positive feedback from communities and government alike, and have had a wider impact on other communities in Kayong Utara district that now wish to develop village forest schemes to gain management control of their forests.

New grantees SAMPAN and Caritas-YUSABA are progressing well, working with communities in Melawi and Ketapang to improve livelihood resilience against climate change through sustainable agroforestry and traditional forest systems. SAMPAN assisted seven villages in Ketapang and Melawi districts to re-establish the traditional *tembawang* sustainable forest management system. It also encouraged communities to develop nurseries for multi-purpose trees species and plant them in the critical areas around the village, most notably in Senduruhan (Ketapang) and Balai Agas (Melawi).

Community Livelihoods

Organic farming facilitated by grantee ASRI has enabled the farming groups to sell vegetables directly to traders who pay the same price as in the market. Production costs are lower with less impact on the environment. The farmer families are now self sufficient and no longer need to buy vegetables. The broader impact is that there are more and more families interested in organic farming as a livelihood option rather than taking the risks with illegal logging. Illegal logging has fallen by 68% since 2007 due to a combination of health and farming projects and the government's crackdown on illegal logging.

Grantees SUAR Institute and GEMAWAN are working with communities to improve rubber cultivation and marketing knowledge. Eleven rubber farmers from Poring and Senempak villages, Melawi District, visited the IFACS Katingan landscape to learn from the rubber farmer groups about quality improvements and the rubber value chain to improve incomes. IFACS is supporting the SUAR Institute to further develop a rubber farmers group (KUBK), work plans, and direct market links in a similar approach to that in Katingan Landscape. Improved knowledge has established rubber farmers' groups and piloting improved quality for sale at the factory.

IFACS grantee Dian Tama has been assisting honey farmers and increased honey production and promoting CCLAs in each of the four villages to strengthen protection in the community-managed forests (*hutan kemasyarakatan*). As a result, the village of Rangka Intan has received prestigious recognition of its conservation activities, both at the district and provincial level.

Subcontractor FORINA has completed a series of focus group discussions (FGDs) in collaboration with Yayasan Palung, the District Forestry, Tourism Departments, the Kayong Utara MSF *Rumah Ide*, and members of the Padu Banjar Village. As a result FORINA have developed an ecotourism development plan for protected forest areas of Padu Banjar, Kayong Utara.

Climate Change Vulnerability Assessment

IFACS subcontractor FIELD has completed climate change vulnerability assessments and action plans in 15 villages through climate change adaptation field schools, and is in the process of implementing livelihood activities. It started implementation of pilot activities to increase adaptive capacity of communities in the region. FIELD has managed funds for organic farming, planting rubber seeds, and planting coconut plantation.

Carbon Project Development

Subcontractor PT Hydro Project Indonesia has finalized the *Management of Gunung Palung National Park (TNGP)* carbon project concept note in Kayong Utara, which will improve protection of the park by managing community development activities and restoration in the surrounding buffer zone.

IMPLEMENTATION CHALLENGES

- SEA development experienced significant delays during the year necessitating additional mentoring from the IFACS Ketapang team. Enthusiasm was restored through a change in pedagogical approach, and even though the final SEA document and public consultations were seriously delayed, the process was completed to the satisfaction of all stakeholders.
- The transition period change of the newly sworn-in local parliament and the provincial parliament greatly affects the dynamics of the local government agencies and causes policy decision-making delays.
- Socialization of the LCP and review of the district spatial plan need to occur after public consultation of the SEA and before the spatial plan draft regulation training. This did not happen, but it provides a valuable lesson for similar projects in the future.
- Working with local NGOs to achieve project outputs has presented administrative and technical challenges. The importance of thorough monitoring and evaluation of grantees

has been demonstrated and is useful for these institutions to improve their performance in the field, avoiding issues in future programs.

- Working with the private sector continues to cause delays as production units have been unable to provide suitable schedules for the implementation of CMMPs.
- Maintaining momentum for ecotourism development workshops in North Kayong in the absence of the Kalimantan advisor who was actively facilitating this is a challenge for the IFACS team and the MSF. Solutions through the MSF are needed to overcome this.
- The forest conservation officer post has remained vacant and has led the project to deprioritize the Sungai Laur FMU plans.

PRIORITY ACTIVITIES IN KETAPANG

- Completion and monitoring of CCLAs and handover to local government. CCLAs completed during Year 4 will be monitored to ensure increasing capacity and ownership
- Continue strengthening the MSF through communication and conservation activities, as well as through activities associated with the LCP
- Synthesis of LCP and SEA-LEDS recommendations for future spatial plans
- Conclusion of improved livelihoods with five grantee projects, through rubber value-chain and KUBK development
- “Lessons learned” and knowledge management workshop for project closeout

RETURNING TO THE FARM TO SAVE THE FORESTS



RIAM MERASAP JAYA, W. KALIMANTAN—

After years of logging forests for a living, many farmers in this village had forgotten how to plant rice. Having abandoned their farms to work for the timber companies, even basic agricultural skills were lost.

The expansion of the timber industry across Kalimantan from the late 1980s until the early 2000s cleared nearly 40% of lowland forests in the 90,000-hectare protected forest area of Gunung Palung National Park. Among the loggers employed by the timber companies were farmers from surrounding villages.

"Almost all the men left the villages to log the forests during that time," says Fatul Bahri from the Ministry of Farmers and Livestock of Sukadana subdistrict, which has been working with local NGOs to train former illegal loggers in basic farming skills. Harjani, a farmer in Riam Merasap Jaya, says he was among those who chose to abandon his farm. "Revenue from illegal logging was plentiful, but the cost to our forests is too high," says Harjani, who has decided to return to farming two years ago, following the footsteps of his siblings.

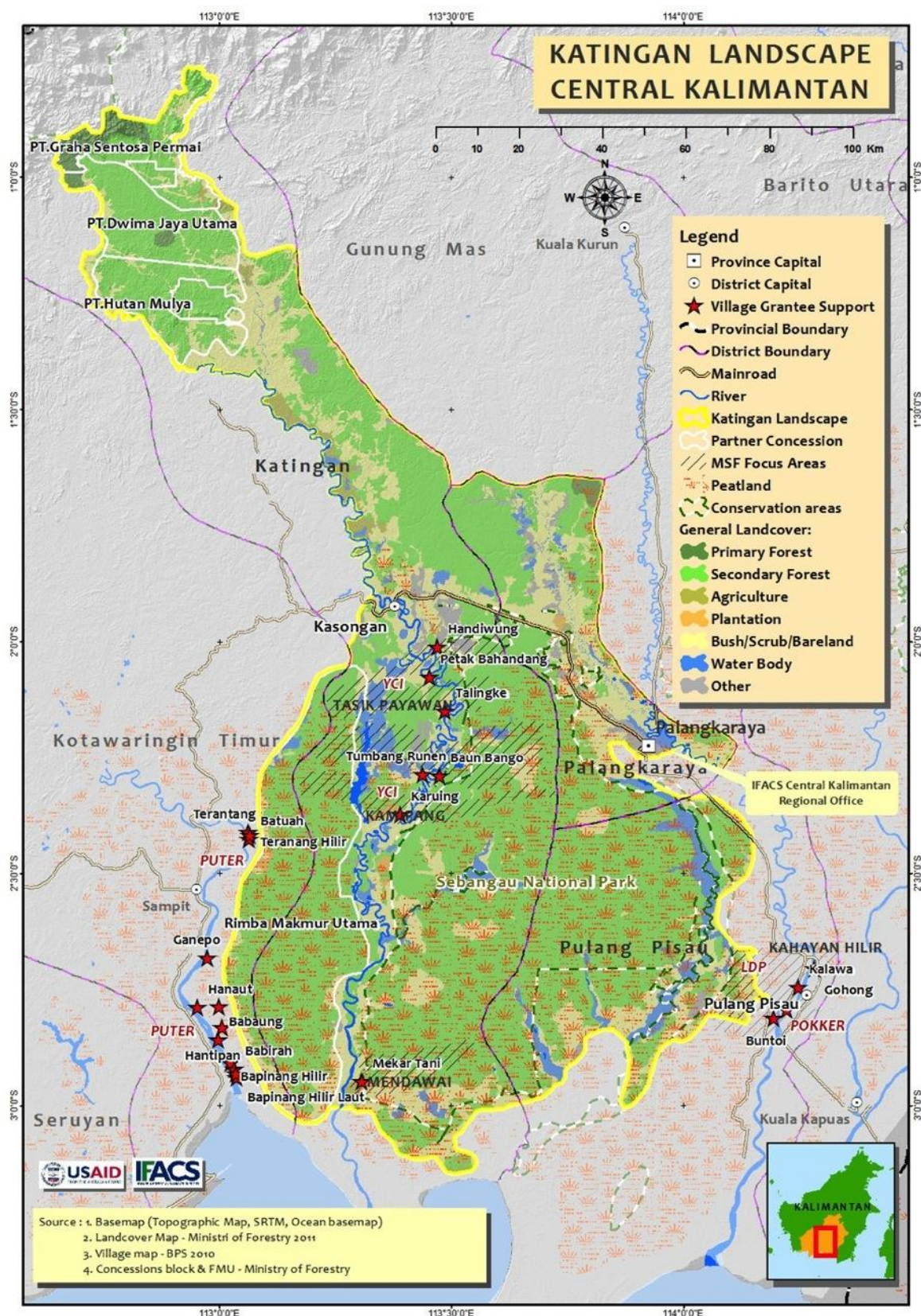
In the nearby hamlet of Aik Pauh, another farmer, Arifin, is busy harvesting his organic mustard greens and spring onions to sell to local traders. The former head of an illegal logging group, Arifin says he has been "converted." He now uses only organic farming methods on his farm after training he learned from the Alam Sehat Lestari Foundation (ASRI), a local NGO awarded a USAID IFACS grant to provide organic farming training in 10 villages bordering Gunung Palung National Park. Arifin and his neighbors not only plant organic vegetables but also use organic fertilizers for their rice fields.

"Using organic fertilizers has saved us money because we can make our own using manure from our cows, rather than having to buy expensive chemical fertilizers at the store," says Arifin. "This way our soils stay healthier too for future plantings."

FIELD, another NGO supported by USAID IFACS, also works with farmers in 15 villages in the Gunung Palung National Park buffer zone to try to discourage farmers from returning to logging for their living.

"We are already seeing our crops fail because of drought caused by climate change. So we have to do what we can to save our forests," says Arifin. "So far, we are seeing a profit of up to 1.5 million rupiah a month from our organic harvests."

KATINGAN LANDSCAPE



The Katingan Landscape covers 1.7 million hectares, largely of deep peatland, and comprises Sebangau National Park and critical habitat for orangutan and other wildlife. The landscape includes parts of two districts—Katingan and Pulang Pisau—and the municipality of Palangkaraya.

Central Kalimantan Province is still 59% forested (according to Ministry of Forestry data), but it suffers the highest rate of deforestation in Indonesia, after Riau Province in Sumatra. While a significant portion of the landscape is technically under legal protection, illegal logging, gold mining, and fires have resulted in substantial loss of forest and peatlands. Much of the recent deforestation has resulted from ill-conceived development plans, dominated by mining and the massive expansion of oil palm plantations.

There are a total of five timber concessions, one HTI concession, and four palm oil concessions currently operating in the landscape, most of them based in Katingan District. However, oil palm plantations and mining operations are rapidly proliferating throughout the region. Industrial development pressures and unsustainable land practices are increasing as more commercial investments are attracted to the area.

Most of the peatland areas, especially around and outside the national park, are under continued threat due to the higher concentration of settlements along the Katingan and Sebangau rivers. The majority of the settlements concentrated along the Katingan and Sebangau rivers are ethnic Dayak communities who depend on agriculture, agroforestry, some timber and other non-forest timber products—most notable rattan and rubber, which provide the main source of income for 60% of communities. Communities traditionally dig canals in the peat forests to provide access to utilize timber and other products from the forest. With this, peatlands are drained, thus increasing the likelihood of fires, accelerating the loss of peatlands and releasing vast amounts of greenhouse gases.

PROGRESS IN YEAR 4

Improved Governance in Katingan

All MSFs have gained significant capacity during this last year of project implementation. MSF members met regularly to develop concrete steps for urging local government to allocate district funds for conservation and to engage all stakeholders in Katingan Landscape. More formal thematic meetings, in the form of monthly coffee mornings, resulted in interesting recommendations from MSF members on strategies for reducing greenhouse gas emissions in their districts.

The Palangkaraya MSF focused activities in Year 4 on fire prevention training and promoting the establishment of a pilot city forest park (*hutan kota*) covering an area of 1,600 hectares, and actively pursuing other projects that aim to contribute to Palangkaraya's municipality goal of setting aside 60,000 hectares including, 30% protected forest for every subdistrict. The MSF and forestry agency of Palangkaraya made good progress towards this through holding workshops to develop a management action plan for the *hutan kota*. Capacity-building support for almost 1,000 firefighting volunteers continued in Palangkaraya.

The MSF in Pulang Pisau has grown particularly strong this year and has become especially focused on forest and land fire prevention, following the progress made by Palangkaraya's firefighting training program. This activity has raised significant funding support from the district government to provide firefighting training to staff from BLH, the Forest Agency, the Natural Disaster Management body (BPBD), and district volunteer firefighters. The bupati also has issued a warning letter to 13 oil companies in Pulang Pisau District and is directing them to become involved in fire prevention through the establishment of firefighters and regular patrols in collaboration with the community. IFACS also has conducted hot-spot

training for MSF and police to provide them with up-to-date firefighting information to help local government initiate effective strategies for fire prevention in the district.

LCPs were finalized this year in Palangkaraya, Pulang Pisau, and Katingan through a series of MSF workshops. The LCPs have brought greater focus and understanding for strategic conservation interventions, and all MSFs have been out in the field to ground-check areas identified in the plan to verify conservation targets. In Katingan District, the LCP has encouraged the bupati to brand Katingan as a “conservation district” that supports sustainable management of production and protected forests. In Palangkaraya, an “education forest” permit was issued by the forestry ministry to the Palangkaraya government and Universitas Muhammadiyah Palangkaraya to form a Forest Management Unit in Mangku Baru and to ensure this area is supported by the spatial plan. Traditional forests and peat buffer zones for Sebangau National Park are also conservation priority areas in the LCP.

Multi-stakeholders involved in communications included investigative and green journalism training to improve the quality of news dealing with climate change and to promote journalists as environmental advocates. Local and religious leaders have also attended climate change education workshops and developed action plans for each religious denomination in the landscape to highlight climate change within their communities. The Palangkaraya municipality government and Central Kalimantan provincial government have sponsored billboards on which IFACS has displayed prominent climate change messages, such as the importance of biodiversity and warnings about land and forest fires.

SEA documents were completed in all three districts. The Public Works Department and Bappeda of each district have used the SEA-LEDS recommendations to revise the spatial plans and academic drafts, which have been submitted to the district parliaments. The MSFs will use the LCP/SEA optimum scenarios to advocate for future improvements in the spatial plan and for better management by the private sector of timber and oil palm concessions. (See Component 1 for additional details on the impact of SEA-LEDS.)

SDI work groups are being developed in three districts and are now a significant asset to the local government. SDI team members and government staff who received GIS training provided by IFACS partners were able to contribute technical skills to help develop and complete the SEA documents. Skills acquired through the GIS training will also be critical in the monitoring of spatial plans in the future.

The Pulang Pisau District government has allocated IDR 308 million to support forest fire prevention and firefighting programs facilitated by IFACS. There are now 170 volunteers who have signed up for the fire brigades in Pulang Pisau subdistricts. Pulang Pisau District now has a fire hot spot map from which it can identify where fires originate—in recent cases from oil palm concession areas—to report to district authorities. Funding leverage for other districts will be reported in the Final Work Plan period.

Improved Forest Management

IFACS collaborated with ZSL to train concession staff, government forestry staff, and other stakeholders in monitoring high conservation values identified in conservation management and monitoring plans developed in Year 3. Biodiversity monitoring training was well received, and evaluation of CMMPs currently under way has shown that training skills are being implemented in some concessions. PT Rimba Makmur Utama (PT RMU), an Indonesian ecosystem restoration company, obtained an operational permit in January from the Minister of Forestry and has accepted valuable input for conservation from the CMMP developed for the concession by subcontractor Re.Mark Asia, especially to mitigate threats to the high conservation values identified.

A total of 27 CCLAs have been signed in the three focal districts, with seven still under development. CCLAs in Pulang Pisau have focused on promoting rubber production on unproductive land as a twofold strategy for developing sustainable alternative livelihoods and reducing the incidence of forest fires. CCLAs in Palangkaraya municipality are currently awaiting approval from the mayor for seven neighborhoods (*Kelurahan*).

Community Livelihoods

IFACS and grantee partners Lembaga Dayak Panarung have improved the livelihoods of rubber farmers through improving rubber quality and value chains. Coordination with the Indonesian Rubber Processors Association (GAPKINDO) branch office in South and Central Kalimantan has fostered direct linkages between farmers and local rubber processors that have agreed to buy rubber directly from IFACS-assisted farmers if quality is improved. Rubber Farmer Cooperative Businesses (*Kelompok Usaha Bersama karet* [KUBK]) in Pulang Pisau have enjoyed early success increasing farmers' income by up to 20%. (See Component 3 section for additional details on rubber value-chain progress.)

Rubber plantation development in this landscape provides an excellent example of how improved livelihoods can support conservation, improve land management, and provide low-emission livelihoods. In Pulang Pisau District, for instance, the rising price of rubber and implementation of the CCLA in four villages has prompted farmers to plant rubber seedlings in 128 hectares of degraded land. The value of degraded land restored with rubber is much greater than exploiting forest timber. The value of the land also encourages farmers to reduce the incidence of fire in order to protect their now-profitable livelihoods. Regular maintenance of rubber during the dry season results in improved fires monitoring. Reduced fire incidence, forest protection, and degraded land restoration all contribute to reduced emissions.

Carbon Project Development

A Carbon Project Concept Note for the *Strengthening the Village Forest Ecosystem Management and Carbon Conservation* in Pulang Pisau has been finalized by Pt Hydro Project Indonesia. The project aims to improve management and livelihoods in a village forest buffer zone close to Sebangau national park. At present, a large area of degraded land with some rubber plantations on peat land is under threat from fire and over-draining. The village forest also suffers from illegal logging and conversion. The project will reduce emissions through the control of fire and improvement of existing rubber production, thus giving previously unprofitable degraded land important value.

IMPLEMENTATION CHALLENGES

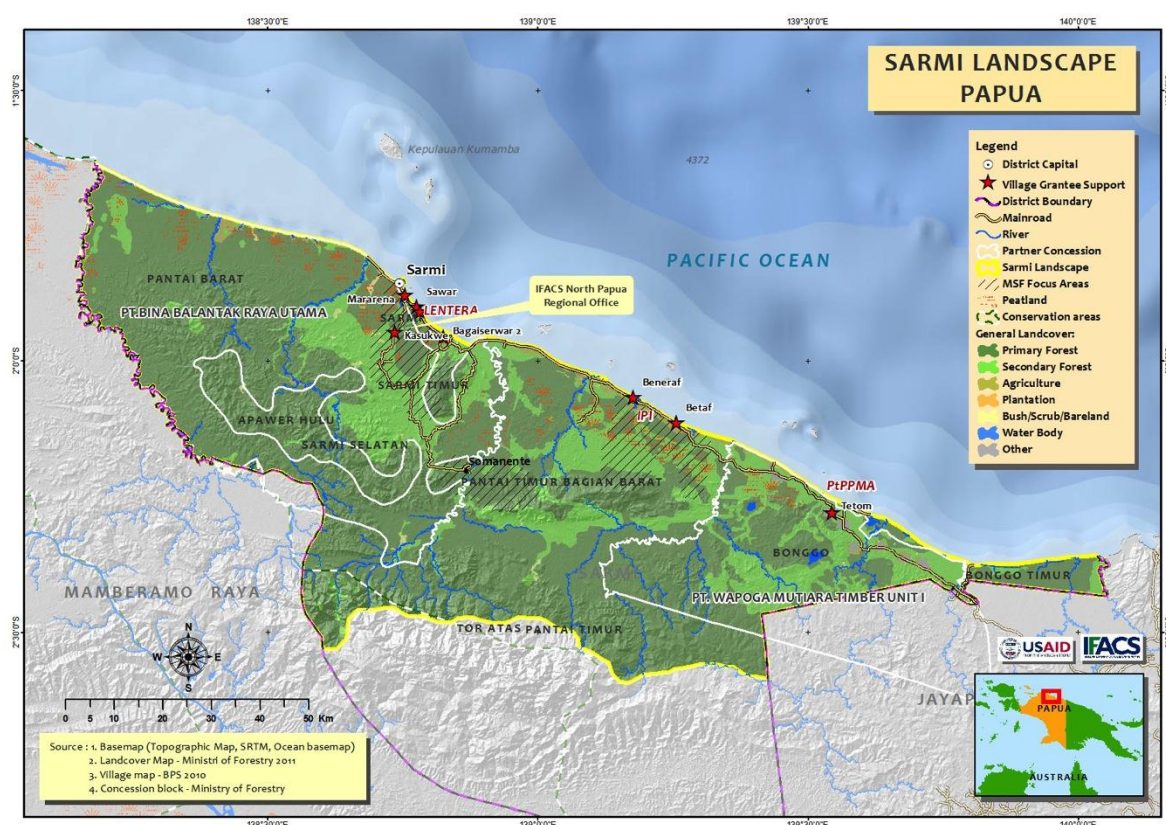
- High government staff turnover is an ongoing constraint to continuity of project implementation.
- Local elections caused significant slowdown of project activities implementation, though in the case of Pulang Pisau, the election of the new bupati, who is very supportive of IFACS, has prompted stronger district support for IFACS conservation initiatives.
- Building relationships with the private sector has been difficult, especially with timber concessions.

PRIORITY ACTIVITIES IN KATINGAN

- Submit SEA-LEDS documents to government

- Implement LCP action plans to support forest education units (*hutan pendidikan*) to develop strategic action plans for forest conservation
- Establish the organization of rubber farmer groups
- Leveraging funding from stakeholders
- Expand communications activities to more stakeholders
- Strengthen best management practices in partner concessions
- “Lessons learned” workshop for project closeout

SARMI LANDSCAPE



The Sarmi Landscape covers 850,000 hectares of Sarmi District on the north-central coast of Papua. Extending inland to the foot of the Foja, Tor, and Bonggo Mountains, this landscape includes approximately 3,500 hectares of mangroves, 110,000 hectares of carbon-rich peatlands, 500,000 hectares of lowland rainforest, and 200,000 hectares of hill forest. About 96% of Sarmi remains forested, though most of it has been divided into three large timber concessions.

The landscape is sparsely populated with only 35,000 inhabitants, mostly living in Sarmi town, transmigration settlements around Bonggo in the east, and a series of coastal villages. Only a handful of villages are scattered throughout the interior. Smallholder coconut, cocoa and horticultural crops combined with hunting, fishing, and other forms of natural resource extraction are the main economic activities, with royalties and handouts from the government and timber companies augmenting local incomes. In 2014, the first of a number of proposed oil palm estates was approved, and a number of companies are prospecting for coal and minerals, setting the scene for rapid transformation of Sarmi's economy and landscape.

Sarmi's coastal communities are particularly vulnerable to coastal erosion, flooding, and tsunami, with climate change and forest conversion predicted to escalate these threats over coming decades. Therefore IFACS' main focus is on building government, community, and private-sector capacity, as well as on commitment to improved coastal and forest management and sustainable agricultural development to mitigate greenhouse gas emissions and climate change impacts.

PROGRESS IN YEAR 4

Improved Governance in Sarmi

The Sarmi MSF grew in stature and capacity this year, particularly through expanded and strengthened engagement with government services, the customary council, religious leaders, and local communities, as well as private sector partners including the PT. Wapoga and PT. BBU timber companies, cocoa buying companies, universities, and security services. An MSF consolidation meeting was held in January, during which the MSF charter and programs were reviewed. Throughout the year, the MSF has been involved in the majority of activities implemented through IFACS and local government.

Through a series of workshops, working group meetings, and public consultations, the SEA-LEDS document was finalized and became the first of the IFACS focal districts to incorporate SEA-LEDS recommendations into spatial and development plans.

The district government has been extremely positive, with the bupati and head of BAPPEDA expressing their pride at being the first district in Papua to mainstream SEA-LEDS in spatial planning. The district has allocated US\$350 million to support its integration into the spatial and development plans and its official enactment through district regulations. The SEA-LEDS document is now being used by government as a key reference in policy making and as the basis for the development of strategic and annual work plans by all district government agencies and subdistricts, and for evaluating mining, oil palm, and other major capital investment proposals. There continue to be examples of development planning that are incongruous with the SEA-LEDS and LCP recommendations.

IFACS, BAPPEDA, and the MSF organized a series of GIS training and SDI development activities this year, commencing with intermediate GIS training for nine core members of the Sarmi SDI, drawn from BAPPEDA, and the forestry, mining, communications, public works, and fisheries services. The structure, membership, and functions of the Sarmi SDI has been determined, including roles of key government agencies responsible for collecting, processing, managing, and utilizing spatial data, and a clearing unit managed by BAPPEDA to ensure spatial data is provided to all concerned parties. An official decree has been drafted and is currently awaiting ratification by the bupati.

Advanced GIS training was conducted for nine members of the newly formed SDI team for Sarmi. Training covered thematic mapping, raster data management, and GPS applications. This training was attended by 20 government staff from Sarmi and Mimika, including nine members of the newly formed SDI team from Sarmi. Through this advanced training, which also includes field visit and practice, participants can determine the extent of forest cover from satellite images and field verification. Integration and standardization of the district SDI, provincial SDI, and the national 'One-Map' spatial data management systems have begun.

IFACS and the MSF conducted a series of workshops and field data collection activities to finalize an LCP for Sarmi District. The LCP uses an HCV framework that includes high carbon stock ecosystems, maps, and analysis threats and their potential impacts on forest loss. On this basis, HCV priorities and conservation strategies were identified for the LCP. Four priority target areas were identified, including (1) the coastal areas around Sarmi Town; (2) the Muar River watershed in western Sarmi; (3) the mangrove forests areas in eastern Sarmi; and (4) the Theun-Pianfon Lakes area. An MSF action plan was then developed to mitigate threats to these areas. The MSF conducted field surveys to collect biophysical, social, economic, and cultural data in the mangroves of eastern Sarmi that are being used to refine an action plan for mangrove restoration and for training communities in alternative livelihoods, such as fish and crab breeding.

The Sarmi MSF communications campaign also has progressed well this year, with activities including MTDs and ongoing support for the dissemination of climate change messages by

customary and religious leaders. The MTDs were well attended by nearly 500 participants from 37 villages, including customary and religious leaders, local government, security services, and media. Topics of discussion covered CCLA and forest management, spatial planning for climate change mitigation and adaptation, sustainable economic development, climate change, and health and disaster mitigation and preparedness. Meetings were also broadcast via public radio, reaching an additional estimated audience of several thousand people. The MSF also worked closely with the district Office Ministry of Religious Affairs, Christian and Muslim religious leaders, and customary councils to disseminate climate change and other environmental messages through brochures, sermon sheets, and training workshops. This method has reached more than 7,000 people from Sarimi's three major religious communities.

In celebration of World Environment Day, the MSF planted native trees along Fumau recreation beach as well as 10,000 coconut trees in Beneraf, Yamna, and Betaf Villages, Pantai Timur Subdistrict. During these visible public events, the government and MSF also made formal declarations stating their commitment to environmental protection and climate change adaptation and mitigation.

Improved Forest Management

IFACS subcontract partner TFF concluded its RIL training this year with two concessions in Sarimi District. A three-day workshop on "Sustainable Forestry for Indigenous Community Cooperatives," conducted for the Tetoom Jaya Community Forestry Cooperative, provided training on forest inventory and sustainable production planning methods, with participants developing their own action plans, including design of standard operating procedures and an action plan for sustainable forestry management.

Subcontractor PT. Daemeter conducted a biodiversity and sociocultural survey in PT. BBU's concession and finalized a CMMP for the area. Subcontractor ReMark also finalized fieldwork in the PT. Wapoga Mutiara Timber Concession. Monitoring effectiveness of CMMP in these two concessions will take place in the Final Work Plan period.

Participatory mapping and CCLA activities have continued to be a high priority, with a total of 16 CCLAs completed for villages in Bonggo, Bonggo Timur, and Pantai Timur Subdistricts; 16 CCLAs currently being finalized for villages around Sarimi town; and another 13 currently being developed in Pantai Barat and Verkame Districts as part of a technical cooperation with an oil palm company. Of the completed CCLAs, nine were facilitated by IFACS grantee Pt.PPMA, resulting in about 12,500 hectares being set aside as community HCV protected areas, with rules prohibiting all destructive activities and conserving biodiversity and key environmental services. In Pantai Timur, IFACS staff facilitated CCLA development in seven villages resulting in a 39,000-hectare area designated as a community protected area. Signboards displaying CCLA maps and regulations were erected by community members and are visible along the route from Jayapura to Sarimi. Communities have also commenced monitoring activities using a CCLA monitoring guide developed by IFACS.

The CCLA methodology has been enthusiastically received by participating communities, local government, and customary leaders. In support of the agreements, the head of Bonggo subdistrict urged village heads and customary leaders to work with their communities to practice conservation guidelines set under the CCLAs. The Papuan Peoples Assembly (MRP) representative for Sarimi-Mamberamo commented that he was proud to see that indigenous communities could work together to map important forest areas and pioneer collaborative forest management agreements. The head of the Pantai Timur Customary Community Foundation gave a presentation praising the CCLAs at the National CCLA Workshop co-hosted by IFACS and the Ministry of Forestry in Jakarta.

With the aim of minimizing negative environmental and social impacts and promoting best management practices, IFACS and the Sarmi Village Empowerment Agency (BPMK) have combined efforts to build collaborative partnerships between PT. Artha Indo Jaya Sejahtera (PT. AIS)—which was recently granted a license for development of an oil palm concession in Pantai Barat and Verkame Subdistrict—and local leaders in 13 affected villages. This includes development of HCV maps, CCLAs, village profiles, and medium-term village development plans as well as the facilitation of dialogue between the parties. HCV mapping, CCLAs and village profiles were developed this year in Verkame and Asmira villages. IFACS also supported development of a draft agreement by these two communities stating their support for the development of the oil palm estate on the condition that PT. AIS prioritize protection of HCV areas.

Community Livelihoods

IFACS subcontractor partner STC-I completed implementation of cocoa farmer capacity-building activities, fulfilling all deliverables, including 145 days of field school training on cocoa cultivation, integrated pest management, post-harvest processing, quality control, and marketing. STC-I reached 1,162 smallholder cacao farmers and developed 143 as “farmer leaders.” STC-I also focused on developing capacity of field staff to manage demonstration plots, marketing strategies, and monitoring to maximize sustainability beyond the end of the project. STC-I supported an MSF workshop focusing on sustainable cocoa production in Sarmi, which brought together cocoa farmers, buyers, and government agencies to formulate a sustainable cocoa roadmap for future action in Sarmi. However, an evaluation of the project revealed only 20% of farmers trained had implemented good agricultural practice or improved post harvesting. Despite the increase in cocoa prices, many Sarmi farmers are abandoning cocoa farming, giving no specific reason for doing so. STC-I’s experience of cacao development in Sarmi has demonstrated that increasing income in Papua is not necessarily the most effective strategy for climate change mitigation or adaptation.

Climate Change Vulnerability Assessment

IFACS subcontract partner FIELD has completed climate change vulnerability assessment and action plans in 15 targeted Sarmi villages. Action plans were presented to local government representatives, resulting in the allocation of financial support from local government agencies to support future CCVA and action plan activities. FIELD implemented pilot activities with 180 farmers from five villages such as the establishment of village plantations of gaharu (*Aquilaria malacensis* – a valuable incense tree that is threatened by overharvesting), production of snacks, coconut oil, freshwater aquaculture, and training in marketing and financial management.

IMPLEMENTATION CHALLENGES

- The national parliamentary and presidential elections caused postponement of activities while senior government officials were preoccupied with political campaigns.
- Conflicts within and between local communities and with local government have affected IFACS several times this year, including regular roadblocks over a range of issues, most notably a long-running land dispute between indigenous clans in Bonggo subdistrict that flared up in January, causing considerable delays in CCLA activities. This highlighted the need for careful social analysis and inclusive engagement in participating, neighboring communities when conducting participatory mapping and other activities relating to customary land and resource tenure.
- The Sarmi District government has shown signs of dysfunction this year, with high rates of absenteeism and a number of senior civil servants facing indictment on corruption

charges. However, IFACS has managed to prevail on senior government staff to continue engagement with IFACS and MSF activities by maintaining a close relationship with the head of BAPPEDA and MSF members.

PRIORITY ACTIVITIES IN SARMI

- Synergize SEA-LEDS optimum spatial planning scenario and LCP recommendations to improve future spatial planning in the district
- Finalize SDI development with official recognition from the bupati
- Integrate SEA-LEDS recommendations into government agencies' strategic plans
- Finalize and monitor CMMPs in PT. BBU and PT. Wapoga concession areas
- Complete CCLA development
- Document IFACS lessons learned through the project
- Organize regional IFACS closeout workshop

CYCLOPS NATURE RESERVE



The Cyclops Nature Reserve, a coastal mountain range north of the provincial capital Jayapura, consists of 23,000 hectares of primary rainforest and is home to 273 species of birds and 86 mammal species. Despite its status as a “Strict Nature Reserve,” Cyclops faces increasing threats from encroachment, illegal logging and illegal mining. Overlapping the reserve is a mineral exploration concession, and artisanal gold mining has increased in recent years within the Cyclops boundaries. These activities threaten Cyclops both in terms of biodiversity conservation and ecosystem services protection, particularly as a source of safe water for the densely populated Jayapura-Abepura-Sentani region. Migration into and around Cyclops has increased over the past few years, most notably from settlers moving from the Wamena area to Cyclops in order to be closer to the provincial capital.

PROGRESS IN YEAR 4

The Cyclops Mountains Landscape Program was formally launched in March 2014 with a two-day collaborative planning workshop resulting in the development of a five-year strategic plan, featuring a range of activities to be supported by IFACS.

The workshop was attended by 112 participants representing a diverse range of stakeholders from government, civil society, indigenous communities, universities and security services. Key elements of this plan include participatory mapping; establishment of a collaborative management forum and Forest Management Unit joint patrol training; and alternative livelihood activities in the Cyclops buffer zone.

IFACS has provided training for 89 members of the Cyclops Joint Patrol Unit, comprising representatives of Forest Police Partners (*Mitra Masyarakat PolHut*); volunteers supported by the BKSDA, which conducts patrols within the Cyclops Mountains Nature Reserve; and

46 volunteers from the Jayapura Forest Task Force (a group supported by the Jayapura District Forestry Service). Trainers included personnel from IFACS; the Agriculture, Forestry, Fisheries and Field Extensions Services; BKSDA; and local NGOs.

Forest patrol training topics covered roles, functions, and challenges of joint forest patrols, the biodiversity of the Cyclops Nature Reserve; community communication techniques; basic principles of timber licensing and administration; basic mapping techniques; and reporting systems and procedures for identifying threats. Practical training was also provided in the use of field equipment, such as GPS devices, binoculars, and cameras. IFACS provided field equipment to support this training and for ongoing field operations of the joint forest patrol units.

Impacts of this training were immediately applied in the subsequent collaboration among joint forest patrol groups involving the Jayapura District Forestry Service, BKSDA, and BPKH for boundary marking to reflect the expanded boundaries of the Cyclops Nature Reserve—recently increased from 22,520 hectares to 31,479 hectares through a 2012 Minister of Forestry decree. The patrols conducted field monitoring of two critical areas of the Cyclops Nature Reserve, and findings were used in recommendations for intervention strategies and for defining roles of stakeholders in managing threats to the reserve.

IFACS also supported the development of a regulation and collaborative management plan for the Cyclops Mountains Buffer Zone. This included facilitating discussions and co-hosting a public consultation workshop that resulted in public input for revision of a buffer zone management regulation draft, and assisting Cendrawasih University's Centre of Environmental Study to finalize a roadmap for the development of a collaborative management plan for Cyclops Nature Reserve. The draft regulation and collaborative management plan will be finalized over the coming months.

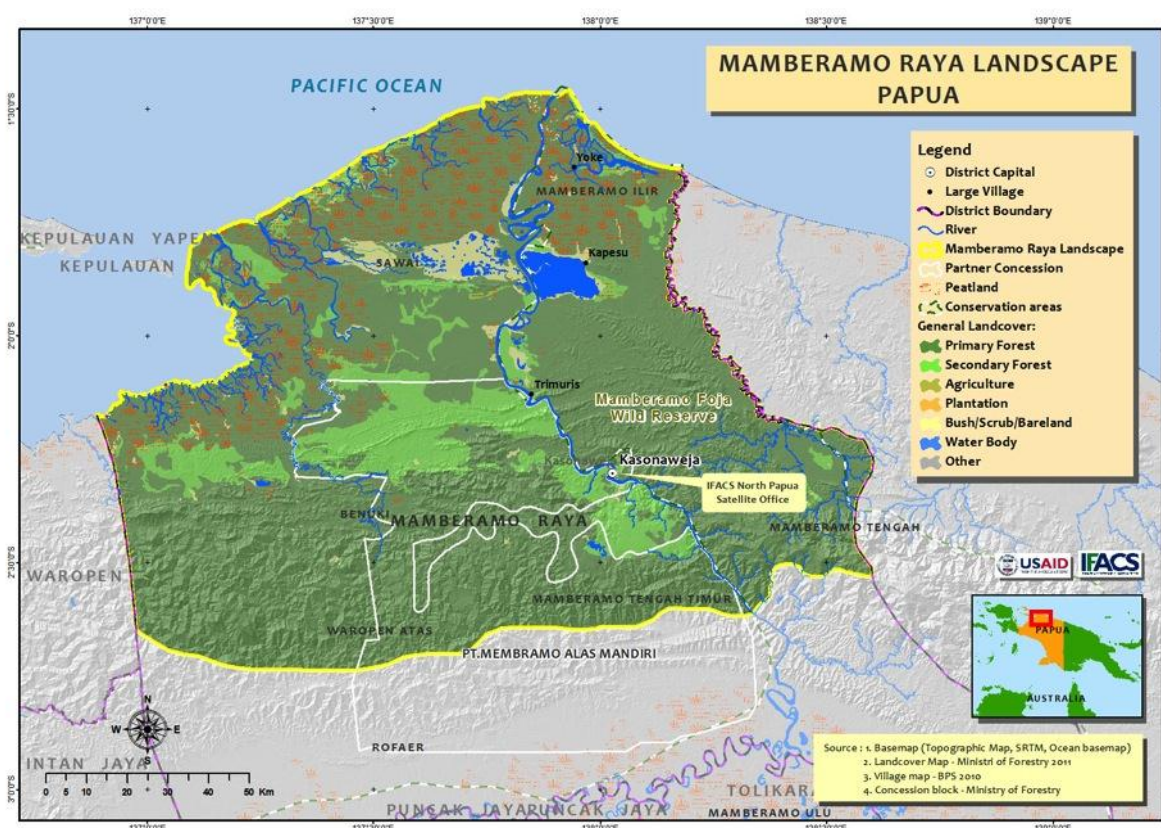
IMPLEMENTATION CHALLENGES

Due to their close proximity to the provincial capital Jayapura, the Cyclops Mountains face numerous threats. It is unclear how much progress can be accomplished in the time remaining for IFACS program implementation. The very diverse array of ethnic communities living around the Cyclops Nature Reserve, who fall within multiple government jurisdictions, presents challenges for direct project implementation. IFACS has concentrated on building partnerships to support existing conservation initiatives, promoting collaborative management and commitment among local stakeholders, and bridging funding gaps until a long-term program of support can be identified and secured.

PRIORITY ACTIVITIES IN CYCLOPS

- Support finalization of the Cyclops Mountains Buffer Zone Management Regulation
- Support completion of the Collaborative Management Plan

MAMBERAMO LANDSCAPE



The Mamberamo Landscape in northern Papua covers 1.7 million hectares within the Mamberamo Raya administrative district. The landscape is dominated by the Mamberamo River, which forms a large river delta on the coast. The coastal region contains significant areas of mangrove, extending inland to vast swamp areas.

The landscape hosts the largest single timber concession in Indonesia, operated by PT Mamberamo Alas Mandiri. Areas along the river and swamp forest have been proposed for sugar cane plantation development and oil palm plantations. While Mamberamo's economy is in its infancy, the government has its eyes on large-scale development based mostly on extractive industries, including oil palm, mining, and timber. Fortunately, these remain far from realization, and the government is still keen to improve the welfare of local communities in Papua through alternative sustainable strategies.

PROGRESS IN YEAR 4

CI finalized all report and maps for the remaining three village areas—Marinavalen, Murumarei and Namunaweja—out of five collaborative land-use planning activities. Communities in all five villages have now been consulted through participative meetings to gain consensus and agreement on the results of draft reports and maps from initial field surveys. These consultations produced final land-use and conservation zones that consist of traditional areas and future spatial allocations incorporating communities' sustainable development aspirations. CI has presented its final project results to the Mamberamo District government. The bupati, district secretary, and other senior district officials, along with community representatives, are in agreement that mapping will be useful for guiding future development to minimize impact on forest resources.

The current district administration's focus is largely on economic development and the improvement of health care and education. Forest conservation isn't highlighted in current district policy, though the bupati has expressed hopes that mapping and land-use plans will be used as a basis for developing financial incentive schemes, such as REDD+, for forest conservation.

IFACS facilitated drafting of a landscape conservation plan (LCP) with input from the district government, civil society, the private sector and a cross section of community stakeholders from Mamberamo Raya. Participants signed a proposition to elevate the Mamberamo-Foja wildlife reserve to the status of a National Park, so that maps produced through CI's collaborative land use planning and PCTs from the LCP can be incorporated in park zonation. At present, wildlife reserve status cannot accommodate these plans. Community leaders have supported the process, but this will take the commitments of provincial and district government and will extend beyond the life of the IFACS project.

Customary leaders have held meetings in several villages to socialize outcomes of the LCP and gain support for the proposed change in status of the reserve, as well as to give legitimacy to communities that have traditionally lived within the reserve's boundaries and, importantly, conserved its resources. A community letter of support signed by customary leaders has been delivered to BKSDA Papua.

PT. Daemeter has developed a draft CMMP for PT. Mamberamo Alas Mandiri logging concession area with the Mamberamo Raya Forestry Service. This concession is currently inactive, but the CMMP will be an important document (along with the LCP) to inform the government of what the private sector must do in the future to maintain high conservation values.

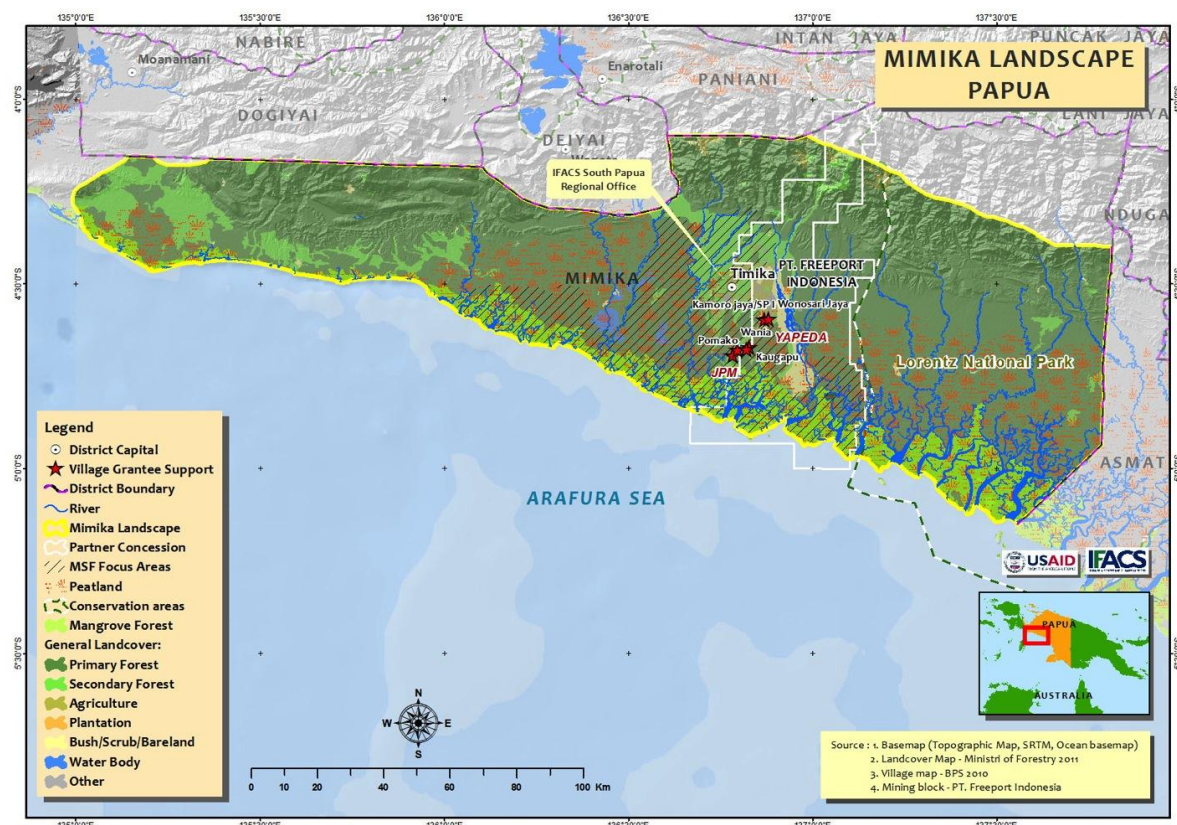
IMPLEMENTATION CHALLENGES

Extremely low capacity and high degree of absenteeism in the Mamberamo Raya government and lackluster performance by subcontract partner CI has resulted in poor outcomes in Mamberamo. This has forced IFACS to focus on a more limited set of objectives, including formulation of the results from collaborative land-use planning, LCP, and CMMP activities as the basis for developing a proposal supporting upgrade of the protection status of Mamberamo-Foja Wildlife Sanctuary to a national park. Facilitating dialogue between government and community stakeholders to support such initiatives appears to hold some promise, and a proposal is expected to be finalized and ratified by key stakeholders in the coming months.

PRIORITY ACTIVITIES IN MAMBERAMO

- Support development of a proposal for the change of status of the Mamberamo-Foja Reserve from a wildlife sanctuary to a national park
- Complete CMMP development for PT. Mamberamo Alas Mandiri concession areas

MIMIKA LANDSCAPE



The Mimika Landscape covers 1.7 million hectares on Papua's southwest coast. More than 94% of the landscape remains forested, including an estimated 1.3 million hectares of virgin forest with extremely high conservation values. Mimika is one of the most biodiverse places on the planet, with an estimated 630 bird species, 123 mammal species, and more than 20,000 plant species.

The principal focus of IFACS conservation activities in Mimika is on the more than 250,000 hectares of mangroves and 500,000 hectares of swamp forest, which form part of one of the world's largest, richest, and most intact wetland ecosystems. These forests are critical to the livelihoods of the indigenous Kamoro people and provide protection from climate change impacts, including flooding and sea-level rise, which threaten to inundate a large portion of the Mimika coastline during this century. Furthermore, they store huge volumes of carbon, up to 1,800 tons per hectare, making Mimika's wetland forests one of the largest carbon sinks in the world.

PROGRESS IN YEAR 4

Improved Governance in Mimika

The MSF expanded its membership to include representatives from local government agencies, Lorentz National Park Authority, CSOs, religious leaders, the private sector, community and women's leaders, and the Kamoro Customary Councils. Members have displayed an increasing sense of ownership, commitment, technical skills, critical thinking, and participation in addressing climate change issues. In February, the head of the Forestry Service was elected as MSF head, and the bupati subsequently signed a decree formalizing the MSF, opening access to potential government funding in future. Under this new

leadership, four working groups were established to implement work plans covering forest governance, education and awareness, livelihoods, and monitoring and evaluation.

One of the most outstanding achievements of IFACS Mimika this year has been the depth of engagement and support from local government and PT Freeport as measured in terms of financial leveraging. Mimika District has allocated US\$80,000 to support expenses for meeting venues, honorariums for civil servant procurement of hardware and software for the SDI Laboratory, and field activities for conservation initiatives. The bupati has instructed government agencies to allocate more funding to support the MSF in the future. With this support, the MSF is likely to endure beyond the IFACS project and continue to promote multi-stakeholder participation in forest governance, adaptive-collaborative management, and communications.

PT Freeport Indonesia (PTFI) also has made contributions supporting IFACS and MSF conservation activities of more than US\$72,000 by providing venues and meals for a number of workshops, as well as boats, cars, buses, helicopters and other logistical support for a number of field activities. PTFI has indicated it is willing to fund future activities and publications.

A subcontract to the the Foundation for Local Government Innovation (YIPD) supported the district's development of the SEA-LEDS document for improving spatial and development planning. This process culminated in a series of public consultations to present SEA-LED recommendations to a broad range of stakeholders. The finalized documents were then formally presented to the district legislature and Development Planning Agency. Arguably the most significant impact of the SEA-LEDS process has been improvements in knowledge and skills among the MSF and government participants, with public consultations serving as models for transparency and multi-stakeholder participation in government-planning processes.

The SEA document's main proposed change to the spatial plan, which was approved in 2011, is the rezoning of an estimated 200,000 hectares of lowland forest currently zoned as "conversion production forest" (HPK) to "limited production" forest (HPT) or "protected forest" (HL). This would prevent conversion of these wetlands to oil palm estates, resulting in a potential reduction in carbon emissions of up to 90 million tons.

The Mimika MSF also completed its inputs to the LCP through a series of three workshops identifying HCVs and threats to prioritize all mangrove and swamp forests for conservation. The MSF also conducted ground checks of these areas to identify threats and collect data on natural resources, HCVs, and socio-economic conditions. The final draft of the LCP will be synthesized with SEA-LEDS recommendations in a Sustainable Development Policy paper for Mimika District, which will propose integration of the SEA-LEDS and LCP documents in the next review of the Mimika spatial plan in 2016.

IFACS continued GIS capacity building through intermediate and advanced GIS training workshops for a core group of technical staff from the Planning Agency (BAPPEDA); Environment Protection Agency; forestry, mining, public works, fisheries and transportation services; and PT Freeport Indonesia. Besides technical skills development, this training was used to build personal relations as a means for breaking down the barriers to inter-agency data sharing that is considered crucial in formation of the Mimika Spatial Data Infrastructure network. The SDI was formally established through government decree in April 2014, and IFACS subsequently hosted a series of SDI meetings to develop an action plan for collating, verifying and sharing data, and including identification of funding requirements and sources. BAPPEDA has provided office space for the SDI laboratory and funded procurement of additional hardware and software to augment that provided by IFACS. The SDI's official launch in September 2014 was attended by 45 representatives of government, civil society organizations, the private sector, university students, and local media. Speaking to

participants at the launch, the head of BAPPEDA emphasized that the SDI will not only strengthen inter-agency data sharing but will also improve access to spatial data for non-government actors. Regular SDI meetings are planned throughout the upcoming year, and plans are also under way to establish a forest-cover monitoring system through a combination of remote sensing and aerial and ground-based surveillance.

Throughout this year, IFACS has worked with the MSF Education and Campaigns Working Group (MSF-WG2) to design and implement effective communications strategies. Brochures, sermon sheets, and handbooks on “Climate Change in Papua” were developed and distributed to religious and customary community leaders to improve their understanding, and disseminate important climate change messages relating to mangrove and swamp forest management and other environmental issues to their congregations. Radio features and public service announcements on climate change, forest management, and sustainable development issues have been broadcast twice weekly through Radio Public Mimika, with MSF members and guest presenters participating in monthly radio talk shows. Broadcasts were effective in communicating messages and encouraging public dialogue. The communications campaign has succeeded in promoting wide media coverage of IFACS, MSF, and grantee activities, with more than 200 articles published in the four local newspapers related to climate change, mangrove, swamp, and lowland forest management. The MSF’s engagement with local media has placed pressure on the district government for granting a concession permit to PT PAL oil palm development of more than 39,000 hectares.

IFACS, the MSF, PTFI, and Kamoro community partners worked together to support a visit in June this year by the newly inaugurated U.S. Ambassador Robert Blake to the Mimika mangroves and Pigapu Village. The ambassador was received with a traditional welcoming ceremony, with several thousand Kamoro and other community members greeting the ambassador on the banks of the Wania River. The visit raised the profile of the IFACS project and the conservation work presently under way to protect the Mimika mangroves.

Improved Forest Management

IFACS gained momentum this year in fostering collaborative management of the Mimika mangroves and swamp forests. USFS, the University of Papua (UNIPA), IFACS, MSF, and local community members concluded a mangrove carbon stock assessment, vegetation mapping, and forest inventory activities. Samples were collected from 120 survey plots in the Pomako, Ajkwa, and Kokonao areas to detail vegetation types and carbon stocks above and below ground. Recommendations from these assessments were presented at a workshop on adaptive-collaborative management of the Mimika wetland forests, resulting in the signing of a manifesto calling for the establishment of a Mimika Mangrove Working Group (MMWG) to implement a collaborative management approach for the mangroves.

IFACS then facilitated the preparation of a decree for the formalization of the MMWG establishment committee and contracted the MAP to provide capacity and management support for the MMWG. MAP has rapidly accelerated progress for improved management of the mangroves. The MMWG was officially inaugurated in April, and has convened six times to identify and analyze stakeholders and threats, participatory modeling, and application of decision-making tools. In addition, the MMWG carried out field visits to pristine and degraded mangrove areas in the Wania and Ajkwa estuaries to gain hands-on experience in mangrove ecology. A group of 24 representatives from the MMWG, IFACS, and MAP participated in a week-long study tour to explore government and community initiatives to protect and restore mangrove ecosystems in Sulawesi, and upon return to Mimika applied lessons learned to develop the Mangrove and Swamp Forest Regulation and management plan. IFACS, MSF, and MMWG members also participated in a government-funded study tour to understand regulatory and institutional arrangements for mangrove management in Bali.

IFACS and MAP hosted a “National Mangrove Management Strategy Adaptation Workshop” involving the head of the Eastern Indonesia Mangrove Research and Management Centre. Kamoro community representatives were highly vocal and assertive regarding their right to manage mangrove and swamp forest ecosystems in their customary territory. This is central to the collaborative approach and demonstrates increased confidence and capacity of Kamoro leaders as a result of IFACS’ multi-stakeholder engagement and capacity-building approach. MAP has refined the strategic vision, mission, and goals of the Mimika Mangrove and Swamp Forest Strategy as an umbrella document for the Integrated Mangrove and Swamp Forest Management Plan that will be drafted by MAP and IFACS in the coming months.

IFACS also this year facilitated the development of a district-level mangrove and swamp forest management regulation. Through highly participatory FDGs and workshops, a local government legal drafting team has developed the regulation with advice from MAP and a legal drafting consultant from Cendrawasih University (UNCEN). Senior government heads and house of representative members expressed pride in the role that local government personnel had played in drafting and presenting the regulation. A public consultation has been held, and the regulation is undergoing revision with input from the National Mangrove Management Strategy Adaptation Workshop.

IFACS has continued to build the capacity of two local NGO grantees, YAPEDA and LP3AP, to deliver mangrove and swamp forest advocacy and awareness-raising activities, alternative livelihoods training and develop CCLAs in eight communities located in the Wania watershed, south of Timika town. Activities include training workshops for household income management; simple techniques for refining and cooking with sago flour; organic agriculture; and mangrove and swamp forest awareness-raising campaigns. A notable outcome of the grant programs has been a clear increase in the capacity of these two NGOs and the communities with which they have worked. MAP has also made significant progress piloting coastal field schools (CFS) to eight coastal villages, recruiting 16 village facilitators and training them, and conducting three CFS meetings in each village focusing on resource mapping and identification of development preferences. Curricula and training materials for the processing of mangrove fruits into flour; production of sugar from *Nypa* palm; organic home gardening; mud crab fattening; and freshwater and marine aquaculture have been developed. MAP has also commenced a trial program to pilot environmental education approaches with a focus on mangrove and swamp forest ecology at Paomako Junior Secondary College. This program has been very popular with students and has garnered strong support from teachers and the headmaster.

IFACS grantees YAPEDA and LP3AP have completed participatory mapping and ratification of CCLAs in eight villages. CCLAs to date cover more than 13,000 hectares of mangrove, swamp, riparian and lowland forests for conservation, or approximately 70% of the total area of these villages. Customary regulations were developed to manage natural resource use in these areas, and CCLA signboards were erected to inform villagers of conservation measures. IFACS and the Kamoro Customary Council (LEMASKO) have commenced work on participatory mapping of 12 villages, which includes mapping and village facilitator training, and mentoring.

Community-Private Sector Partnerships

IFACS—in collaboration with the Mimika Forestry Service, the Small-Scale Logging Association (HIPKAL), community forestry cooperatives from Mioko and Iwaka Villages, LEMASKO, and the TFF—continued to strive for improvement in small-scale forestry best management practices. This commenced in late 2013 with a study by TFF regarding the legality and management of licenses under which small-scale loggers operate and the sustainability of their practices. The results of this study were disseminated to government, community, and private sector stakeholders, who agreed to support the following recommendations: (1) rationalization of small-scale forestry licensing regulations; (2) further studies on timber supply, demand, and impacts on household incomes; (3) participatory customary forest mapping and inventory as the basis for granting community forestry licenses; (4) training of forestry extensionists to build community capacity in sustainable forestry; and (5) training and capacity building for community-based forestry cooperatives.

Another key outcome of TFF work has been the designation of two 5,000-hectare community-forestry concessions around Mioko and Iwaka Villages. These concessions are intended to be managed sustainably by the Mioko and Iwaka cooperatives to provide livelihood security while acting as a buffer between Timika town and the new oil palm estate, protecting hydrological functions of the Kamora River and providing wildlife habitat and corridors. Granting of licenses for these concessions is dependent on the completion of forest inventory activities and sustainable production plans.

After many months of negotiating with senior environment managers, IFACS and PT Freeport Indonesia (PTFI) reached agreement on the development of a conservation management and monitoring plan covering PTFI's project area. PTFI provided satellite and field research data, and IFACS subcontractor PT. Daemeter has held a CMMP workshop with 25 participants representing PTFI's environment and community development teams. PTFI personnel were highly receptive to the HCV approach that can sharpen the focus of existing environmental management and monitoring programs, strengthen engagement with external stakeholders, and demonstrate leadership in applying best management practices.

In order to capitalize on opportunities to develop carbon projects that have emerged with the establishment of Indonesia's REDD+ Agency, IFACS subcontractor PT Hydro Program Indonesia has been working with the MSF and MMWG to develop carbon development concept notes to secure REDD+ funding for a pilot carbon conservation project. Carbon project development training, baseline data collection, and MSF meetings have resulted in a carbon project concept note covering 35,000 hectares of the most vulnerable mangroves in Mimika. This concept note can be potentially scaled up to the entire mangrove area and adjacent swamp forests. The proposed carbon development project also calls for livelihood activities to prevent forest degradation and focus on sustainable supply chains for barramundi and mud crabs, coastal field schools, ecotourism development, participatory natural resources mapping, village sustainable development planning, adaptive-collaborative management strengthening, and monitoring and evaluation activities.

Community Livelihoods

IFACS has developed collaboration with the Mimika Agriculture agency, Jayasakti Mandiri Foundation, Buah Dewa Cocoa Cooperative, PT. Freeport's Community Development Division, the *Kakao Kita* Cooperative in Jayapura, and local farmer groups to promote smallholder cacao and other agroforestry crops as sustainable, low-emissions alternatives to oil palm development and other industrial-scale estate crops in Mimika. IFACS has facilitated practical training of trainers in cocoa cultivation, quality control, integrated pest management, and post-harvest techniques with the *Kakao Kita* Cooperative in Jayapura that has been delivered to other farmer groups in Mimika district.

MAP has completed socioeconomic and ecological resilience assessments in 13 villages in four subdistricts; an assessment of economic resilience of economically important barramundi, crab and shrimp fisheries; and an assessment of potential sustainable economic exploitation of various mangrove and swamp forest commodities, such as mangrove seeds, *nypa* palm sugar or ethanol production, sustainable timber extraction, and sago resources. Assessments results were fed back into the MMWG capacity building process and informed the mangrove management plan.

Climate Change Vulnerability Assessment

Climate change vulnerability assessments and action plans were conducted by subcontractor FIELD in seven district villages. Due to inexperienced facilitators and lack of oversight, the outcomes of the CCVA and action plans were substandard, with most of the CCVA plans developed bearing limited relevance to climate change adaptation. Climate change adaptation concepts were difficult to present to seminomadic hunter-gatherer Kamoro people. As a result of these outcomes, IFACS has discontinued CCVA development in Mimika. IFACS has trialed an alternative approach using participatory planning in Pigapu, Tipuka, and Ayuka villages, building upon CCLAs and engaging LEMASKO in the process, with the aim of incorporating elements of these plans into the annual work plans of local government agencies.

Carbon Project Development

PT Hydro Project Indonesia, with the collaboration of the Mimika MSF, has developed a carbon project proposal—*Strengthening Mangrove Ecosystem Management for Carbon Conservation* in Mimika—to improve and strengthen the management of these carbon-rich resources, through participative ecosystem protection, resource-based economic development, and capacity building of institutions charged with their management.

IMPLEMENTATION CHALLENGES

- Tribal War and Inter-Ethnic Conflict in Mimika caused delay and interruptions from February through June with a number of highland tribal groups residing in Mimika engaged in sporadic tribal warfare, resulting in more than 20 deaths and restricting access to communities and even locations within Timika. An outbreak of violent conflict between Papuan highlanders and migrant groups also resulted in 10 deaths and a state of emergency placed in Timika town and neighboring villages. IFACS activities were suspended for several weeks during this crisis.
- Political uncertainty in Mimika has affected IFACS activities throughout this year with bupati elections remaining unresolved through most of Year 4. The “caretaker bupati” twice restructured civil services, causing disruption to IFACS activities and many government counterparts shifting positions. A further government reshuffle will almost certainly occur in the near future. IFACS faces the challenge of engaging incoming government leaders and building their awareness and commitment regarding mangroves and forest management, Kamoro empowerment, and sustainable low-emission development issues. Another reshuffle may also necessitate the revision of decrees relating to the MSF, MMWG, and SDI Working Group.
- District parliamentary elections held in April led to a blockade of the Pomako port road for over a week as Kamoro people demanded more seats in parliament, preventing access to coastal areas and causing fuel shortages. The new district parliament is to be inaugurated in November, and IFACS faces the challenge of ensuring that proposed legislation, such as the Mangrove Management Regulation, is passed during the final

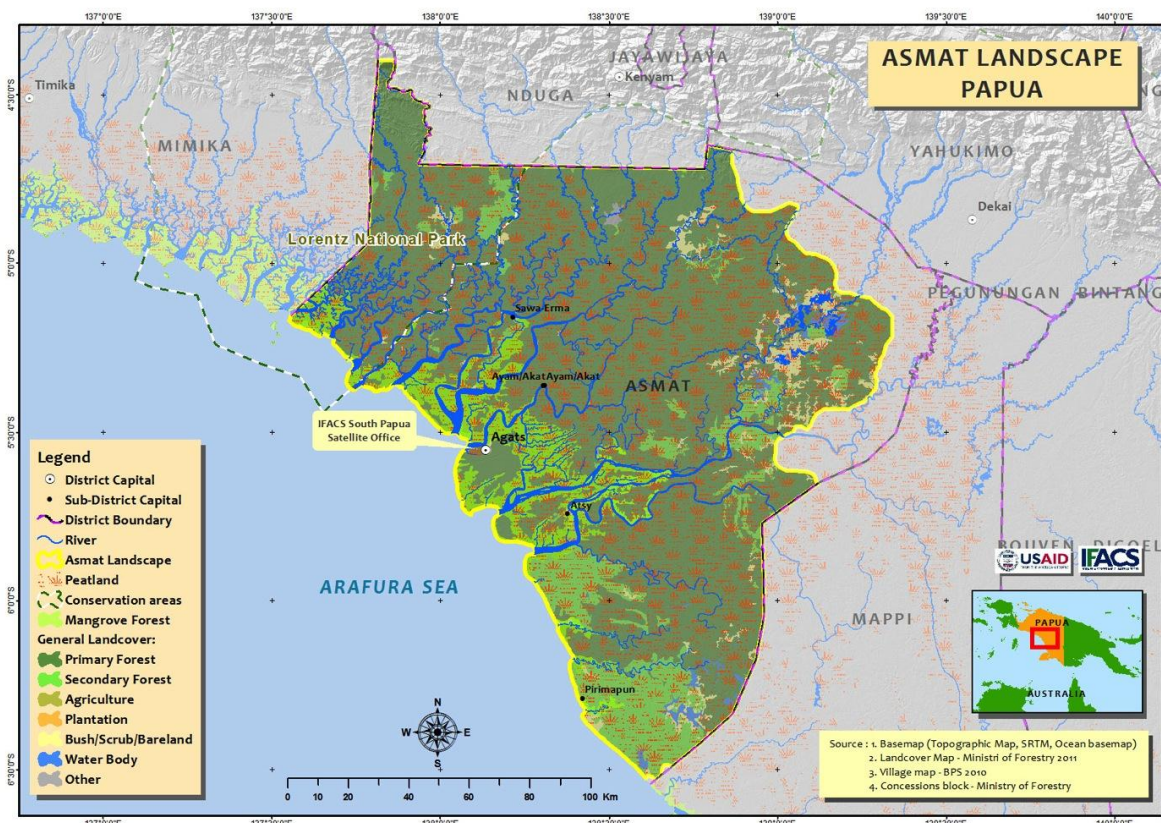
session of the current parliament. Otherwise, it faces the prospect of having to build support among members of the incoming parliament.

- In September 2014, Government Project funding finally became available, leaving government services just a few months in which to expend this funding. Consequently, there was an immediate and dramatic decline in government participation in IFACS activities, which is likely to continue over the coming months.
- On Sept. 30, the National Parliament ratified the establishment of Mimika Barat District. Consequently, some IFACS initiatives, such as the Mangrove Management Regulation and Management Plan, may suffer from significant restriction in terms of geographical scope. Furthermore, infrastructure projects are likely to proliferate— particularly around Kaporaya, the proposed district capital, and Amar, the new port and industrial area—in addition to the granting of new natural resource exploitation licenses. IFACS faces the challenge of engaging with leaders and communities in Mimika Barat to build commitment and capacity for sustainable, low-emission development. The proposed establishment of Mimika Timur District is still pending, but if this occurs, it will have significant consequences for the integrity of Lorentz National Park.

PRIORITY ACTIVITIES IN MIMIKA

- The top priority for IFACS activities in Mimika District will remain focused on conservation of the extensive areas of mangroves and swamp forests.
- Integration of SEA-LEDS and LCP into spatial and development plans. IFACS will also facilitate additional GIS training and SDI network development within the district development planning agency, including supporting technical aspects of spatial plan implementation and monitoring conservation recommendations outlined in the SEA and LCP documents.
- Finalization of CMMP with PT Freeport Indonesia
- Conclusion of CCLAs in seven mangrove villages
- Communication outreach and knowledge management activities to document experiences and lessons learned
- Preparation of IFACS regional closeout workshop demonstrating project impacts and lessons learned

ASMAT LANDSCAPE



The Asmat Landscape spans 2.2 million hectares, comprising Asmat District and the largest expanse of swamp forest in Papua Province. Asmat's topography is dominated by a network of major rivers and lowland swamps, with tides exerting a strong influence on drainage. This includes around 300,000 hectares of mangroves and 1.5 million hectares of peat swamp. Much of Asmat was previously zoned as "production forest." But the most recent provincial spatial plan emphasizes protection of hydrological systems and emissions mitigation, and consequently almost all mangroves and peatland in Asmat have been rezoned as "protected" or "limited production" forest.

Asmat District was established in 2002, and local government capacity remains low. The population of 77,000 people are concentrated in Agats town and 139 villages accessible only by river. Asmat people retain many of their cultural traditions and beliefs, which are conveyed through woodcarving activities. Asmat communities are highly dependent on natural resources for their livelihoods, but these exert a relatively low environmental impact. However, increasing demand for infrastructure development and access to forest resources is leading to increased forest degradation.

PROGRESS IN YEAR 4

Improving Governance in Sarmi

IFACS subcontractor WWF has facilitated SEA training for government and customary leaders. Training covered SEA concepts, application, methodology, public participation, and hydrological analysis. However, SEA development has not progressed in Asmat as in other focal districts. IFACS facilitated SEA workshops to introduce government agencies and community groups to SEA concepts and spatial planning. However, the development of the SEA document—which will include a review of environmental conditions, hydrology, land

suitability, carrying capacity, peat and mangrove conservation, and cultural aspects—has not been implemented to date. WWF has provided expert input from a hydrologist, and the Rawa Baki–Vriendschap Customary Conservation Area will be extended as a result.

A workshop on measuring forest carbon stock and GHG emissions was attended by local government staff, NGOs, and customary leaders. The training aimed to build capacity in developing a district Emissions Reduction Strategy as a basis for developing REDD+ projects. Training materials covered REDD+, reference emission levels, and monitoring, reporting and verification (MRV) concepts and methods; use of standard data sets and GIS applications to calculate emissions from deforestation, degradation and peat decomposition; practical training in field carbon stock assessment; and the calculation and extrapolation of forest biomass and carbon stocks.

Representatives from the Asmat planning agency and forestry and fisheries services also attended the Carbon Project Development Planning Workshops conducted by IFACS subcontractor PT. Hydro in December and April, and a representative from the Asmat Forestry Service also participated in a conference on “Mangroves and Coastal Livelihoods in SE Asia,” hosted by MAP and CIFOR in Bogor.

IFACS also facilitated a “Training of Trainers” workshop held in Agats on increasing community resilience to climate change. Participants from various government offices and local organizations received training in time management, economic development methods, financial management, field trainer skills, mentoring, and other practical skills.

Participatory Mapping

WWF and IFACS completed participatory mapping activities in 37 remote villages in eight subtribal areas. Selection of villages was based on priority areas identified in a district-level participatory mapping exercise facilitated by WWF in 2010, and included villages located around the Rawa Baki-Vriendschap wilderness area. WWF facilitated mapping activities with communities to help them identify and map economically and culturally important forests and customary land uses. Local knowledge of ecology, biodiversity, resource utilization and management, social institutions, and other cultural and socioeconomic data—including health, livelihoods, education, village infrastructure, social conflict, and governmental assistance—was documented and converted to digital maps and a database.

Maps were reviewed by village leaders during six participatory mapping and resource management workshops. The Asmat mapping activities comprise one of the most extensive participatory mapping programs implemented to date in Papua, covering a total area of more than 1.2 million hectares and resulting in the promotion of collaborative resource management involving community, government, and other stakeholders.

The data has been incorporated into detailed district spatial plans to ensure customary rights of indigenous communities are properly recognized and maximizing their role in forest management. Mapping activities will be extended during the next four months to reach an additional 26 villages in four subtribal areas. The results should provide Asmat District government and communities with a solid basis for sustainable spatial and development planning, guided by HCV principles and indigenous community interests.

WWF also has trained members of the Catholic Church’s Secretariat for Peace and Justice (SKP) in participatory mapping facilitation techniques, GPS and GIS use, identification of HCV 5 and 6, data processing, and integration of participatory mapping data with the district spatial plan. SKP has also made a commitment to conduct participatory mapping activities in two of the most remote villages in Asmat, Munu, and Abamu.

Conservation of Rawa Baki-Vrienschap Wilderness Area

IFACS and subcontractor partner WWF identified the Rawa Baki-Vrienschap wilderness area in Asmat District as an area with outstanding HCVs, including biological richness, cultural significance, hydrological functions, and carbon sequestration. Rawa Baki-Vrienschap represents Asmat District's most important breeding ground for two economically important species, the New Guinea freshwater crocodile and pig-nosed turtle, which have suffered serious population declines due to overharvesting and habitat loss in Papua. The preservation of their breeding grounds is one of the primary justifications for nominating this area as an essential ecosystem area.

WWF has developed a proposal for the designation of this 123,000-hectare area as a "Customary Conservation Area and Essential Ecosystem." The proposal includes a collaborative management plan for the area, developed with input from a team of researchers from the University of Papua (UNIPA), Bird of Paradise University (UNCEN), the Asmat Forestry Service, Papua Natural Resources Conservation Agency, and WWF. The research team completed field studies on the ecology, biodiversity, sociocultural, and economic conditions of Rawa Baki-Vrienschap. Key findings from the research included the identification of: 92 bird species, 14 reptile species, 38 orchid species, 103 butterfly species, 37 dragonfly species, and 21 freshwater fish. The study also confirmed the presence of large areas of deep peat, serving vital hydrological and carbon storage functions.

The proposal emphasizes both sociocultural preservation and biodiversity conservation. Key stakeholders have agreed to support the collaborative management plan, and a management forum was established with the support of a bupati decree. Members include representatives from local government, customary leaders, the Catholic Church, academia, nongovernmental organizations and the private sector. The Collaborative Management Forum will manage all essential ecosystem areas, such as the Rawa Baki-Vrienschap Customary Conservation Area and the portion of Lorentz National Park located in Asmat District. The forum has developed a work plan, including lobbying the government of Papua and the head of Forests and Nature Conservation regarding the formal designation of the Customary Conservation Area.

In response to pressure from local communities and the Asmat District parliament, the BKSDA is undertaking a study on the pig-nosed turtle population in Asmat with the intention of reviewing its protected status or increasing the quota for wild egg harvesting. The results will be submitted to the National Academy of Science (LIPI). WWF and IFACS are concerned that a change in status or increase in quotas may have detrimental effects on the pig-nosed turtle population and may also have implications for the nomination and/or management of the Rawa Baki-Vrienschap Customary Conservation Area. At this time, plans to conduct further studies on the pig-nosed turtle population, its nesting habits, and exploitation in the Rawa Baki-Vrienschap area are pending as this has become politicized.

Sustainable Community Logging

Plans to establish sustainable community-based forestry concessions around Beco and Jipawer Villages have been undermined by the rezoning of surrounding forest areas as "protected forest" in the most recent provincial spatial plan. WWF has lobbied the district government to recommend an area of 8,000 hectares around Beco and Jipawer Villages to be rezoned back to "limited production forest" to be used as concession area for the Beco and Jipawer community forestry cooperatives. The recommendation is based on the argument that the change in status would be offset by the establishment of the Rawa Baki-Vrienschap Customary Conservation Area. WWF will continue working with the forestry cooperatives to prepare them for community-based forestry activities. WWF is currently assisting the Beco and Jipawer forestry cooperatives to develop production and restoration plans for the proposed concessions. A WWF workshop, conducted with the Papua Provincial

Forestry Service, provided training for cooperative members on community-based forestry licensing in Papua and technical training on the use of sawmill equipment, reduced-impact felling techniques, preparation of production reports, eco-labeling standards, timber volume measurement, and forest inventory techniques.

Ecosystem Restoration

Community members in Syuru Village planted a total of 1,200 mangrove trees (*Rhizophora* spp., *Avicenia marina*, and *A. alba*) this year to reduce erosion along stream banks and other areas affected by forest clearance for settlement and firewood collection. Community groups in Yeppem and Per villages have prepared mangrove seedlings to be planted in deforested sites early in the upcoming year. Representatives from WWF, the Asmat Forest Service, and community groups will attend an Ecological Mangrove Restoration (EMR) Workshop to be hosted by the Mangrove Action Project in Mimika in October to learn about mangrove restoration practices that can be applied in Asmat.

Asmat Woodcarvers Association

Since the formation of the Asmat Woodcarvers Association in 2013, WWF has supported local woodcarvers in documenting woodcarving styles and motifs to be published in 2015. WWF has also supported the development of international market networks. The Asmat Woodcarvers Association is active in organizing the annual Asmat art auction conducted during the Asmat Cultural Festival. There have been some management issues within the association due to lack of capacity in creating a representative structure, electing new office bearers, reviewing work plan implementation, and strengthening financial management systems.

Ecotourism Development

Ecotourism potential in Asmat has been surveyed, through interviews with government, church, community, and private-sector stakeholders and visits to a number of areas with high tourism potential, including Syuru, Sawa-Erma, Atsy, and Yeppem Villages. Asmat has a considerable potential for nature and cultural tourism. However, there are serious constraints, including high costs and limited availability of transportation in and out of Asmat, in addition to limited travel to remote villages, a high degree of uncertainty regarding the timing of traditional ceremonies, and lack of communication. Commodification of Asmat culture, particularly if tourists pay for mock ceremonies, could undermine traditional cultural values. Despite these risks and constraints, WWF and IFACS believe that ecotourism can make an important contribution to sustainable economic development in Asmat. WWF and IFACS continue to work on ecotourism development, including promotion of the annual Asmat Cultural Festival, creation of ecotourism packages, and linkages with private-sector entrepreneurs. WWF is also finalizing an ecotourism guidebook for the region.

Communications and Climate Change Education

WWF continued working with schools to provide environmental education for teachers and schoolchildren throughout the year. About 70 students and teachers from two primary schools in Agats planted mangrove and mangrove-associated tree species to help restore an area of degraded land near the center of Agats. WWF subsequently facilitated training in environmental education for 24 teachers, education service staff, and NGO representatives, focusing on the development of locally appropriate environmental curriculum for primary schools and the application of standard Ministry of Education indicators for measuring competency. In addition to covering environmental issues such as biodiversity, ecology, climate change, and threats to the natural environment, these materials highlight the unique culture and customs of the Asmat people and their strong spiritual links to the environment. In April 2014, WWF and the district Education Office conducted field tests and reviewed the

education curricula, which indicated that they are highly appropriate for Asmat primary school students. A final draft has been approved by the Education Office and submitted for printing. It will be publicly launched during the Asmat Cultural Festival in October 2014 and distributed to primary school teachers over ensuing months.

IMPLEMENTATION CHALLENGES

- Participatory mapping and other activities in remote Asmat villages require deployment of considerable resources in terms of time, human resources, and funding, and they entail a relatively high level of risks to health and security. The high incidence of malaria and other disease problems in Asmat has affected the productivity of WWF personnel, as well as government and community partners.
- The planned development of an SEA and its integration into the spatial plan was problematic because the district government contracted SEA development to a third party. Unfortunately, many important steps in the SEA process were ignored, including stakeholder participation. Consequently, the SEA produced was of poor quality and not fully representative of local conditions. WWF has been forced to shift its focus on SEA-LEDS training, while attempting to integrate results from hydrological analysis, participatory mapping, and other studies into policy white papers and advocating their incorporation into detailed spatial and medium-term development plans.
- Most Asmat communities are highly dependent on the exploitation of natural resources for the generation of cash income. This includes the extraction of ironwood, aloeswood (Gaharu), pig-nosed turtles, crocodiles, and fish swim bladders. In most cases, these activities are unsustainable due to overharvesting, harvesting of undersized specimens, and extraction from ecologically sensitive areas. Furthermore, the relationships with traders are usually exploitative, often involving the transaction of goods at highly inflated prices, rather than cash payment. Until such time as economically viable alternatives can be developed, communities will continue to engage in unsustainable resource extraction. WWF's work on arts and ecotourism is a valuable contribution, and much more needs to be done to strengthen these initiatives and identify other viable livelihood development options.
- WWF Asmat's efforts to promote sustainable community forestry cooperatives in Beco and Jipawer villages remain at an impasse due to the rezoning of the forest areas around these villages as "protected forest" in the most recent spatial plan. WWF has in-principle support from the bupati of Asmat, and it continues to lobby the provincial governments to provide a recommendation for the rezoning of 8,000 hectares back to limited production forest on the basis of a trade-off for rezoning of the proposed Rawa Baki-Vriendschap essential ecosystem area. However, ultimately such a change of status can only be authorized by the Ministry of Forestry, which involves a protracted process that is unlikely to be completed within the timeframe of IFACS. In the interim, WWF will continue to work with these two communities to train them in BMP and RIL practices through ecological restoration activities.

PRIORITY ACTIVITIES IN ASMAT

- Conduct a workshop to establish consensus between the customary forums regarding the participatory maps of important places (HCVFs) and natural resources potential
- Establish a policy planning team, develop a policy paper, and draft regulations on sustainable natural resources management; conduct public consultations
- Finalize the biological and sociocultural justification and collaborative management plan for the Rawa Baki-Vriendschap customary conservation area and continue lobbying at the district and provincial levels for formal designation of this area as a customary conservation area
- Conduct additional research on the breeding grounds and exploitation of pig-nosed turtles (pending)
- Formal launch and dissemination of environmental education curriculum materials for primary schools in Asmat
- Mangrove restoration and monitoring around Syuru, Yepem, and Per villages
- Conduct participatory village mapping workshops in an additional 20 villages in four subtribal areas.
- Finalize and publish research on Asmat woodcarving styles and motifs
- Work with Woodcarvers Association to support organizational restructuring, elect new office bearers, and strengthen financial management skills

APPENDIX 1: IFACS PROGRESS AND TARGETS TOWARD PMP RESULTS FOR YEAR 2014 BY LANDSCAPE

| PMP Indicators | Target Over the Life of Project | Achievement up to 2013 | 2014 Achievement | | | | % Completion (Accumulative Achievement vs LOP) | Remarks |
|--|--|------------------------------|------------------|-------------|-------------|------------------------------|--|---|
| | | | Landscape | 2014 Target | Achievement | Total Achievement | | |
| #1: Quantity of CO ₂ emission benefits per annum from improved forest management, improved forest protection, and afforestation | 6,000,000 tons CO ₂ equivalent | 4,877,921 tCO ₂ e | South Aceh | 100,000 | 8,825 | 4,425,797 tCO ₂ e | 74% | This indicator is not accumulative. Update on Winrock Carbon Calculator caused different result. IFACS is no longer working with PT Mamberamo Alas Mandiri. |
| | | | South East Aceh | 200,000 | 16,633 | | | |
| | | | Ketapang | 300,000 | 1,097,637 | | | |
| | | | Katingan | 500,000 | 1,558,713 | | | |
| | | | Mimika | 500,000 | - | | | |
| | | | Asmat | 50,000 | - | | | |
| | | | Mamberamo Raya | 50,000 | - | | | |
| | | | Sarmi | 50,000 | 1,743,989 | | | |
| #2: Number of districts with draft spatial plans documents incorporating recommendations from Strategic Environmental Assessment (SEA) | 11 districts with draft Spatial Plans documents incorporating recommendations from SEA | 0 district (new indicator) | South Aceh | 1 | 1 | 11 districts | 100% | none |
| | | | South East Aceh | 2 | 2 | | | |
| | | | Ketapang | 3 | 3 | | | |
| | | | Katingan | 3 | 3 | | | |
| | | | Mimika | 1 | 1 | | | |
| | | | Asmat | 1 | - | | | |
| | | | Mamberamo Raya | 1 | - | | | |

| PMP Indicators | Target Over the Life of Project | Achievement up to 2013 | 2014 Achievement | | | | % Completion (Accumulative Achievement vs LOP) | Remarks |
|---|---|------------------------|------------------|-------------|------------------|-------------------|--|--|
| | | | Landscape | 2014 Target | Achievement | Total Achievement | | |
| | | | Sarmi | 1 | 1 | | | |
| #3: Percentage of people with increased capacity to apply spatial planning. | 75% with increased capacity to apply spatial planning | 0% | South Aceh | 75% | 73% | 67% | 89% | Next survey for other landscape will be done in 2015. |
| | | | South East Aceh | 75% | 64% | | | |
| | | | Ketapang | 75% | 50% | | | |
| | | | Katingan | 75% | 75% | | | |
| | | | Mimika | 75% | Not measured yet | | | |
| | | | Asmat | 75% | Not measured yet | | | |
| | | | Mamberamo Raya | 75% | Not measured yet | | | |
| | | | Sarmi | 75% | Not measured yet | | | |
| #4: Number of beneficiaries receiving economic benefits from Low Emission Development Strategy (LEDS) activities. | 12,000 beneficiaries receiving economic benefits from LEDS activities | 1,358 people | South Aceh | 1,000 | 1,015 | 2,562 people | 33% | none |
| | | | South East Aceh | 1,500 | 725 | | | |
| | | | Ketapang | 1,000 | 176 | | | |
| | | | Katingan | 1,300 | 216 | | | |
| | | | Mimika | 800 | 0 | | | |
| | | | Asmat | 200 | 0 | | | |
| | | | Mamberamo Raya | 200 | 0 | | | |
| | | | Sarmi | 400 | 430 | | | |
| #5: Number of hectares under improved sustainable natural resources management | 3,000,000 ha of forest and peatland under improved management | 1,464,498 ha | South Aceh | 250,000 | 26,779 | 1,016,736 ha | 34% | This indicator is not accumulative. IFACS is no longer working with PT Mamberamo Alas Mandiri. According to Carbon |
| | | | South East Aceh | 250,000 | 32,154 | | | |
| | | | Ketapang | 400,000 | 282,071 | | | |
| | | | Katingan | 275,000 | 248,198 | | | |
| | | | Mimika | 250,000 | - | | | |

| PMP Indicators | Target Over the Life of Project | Achievement up to 2013 | 2014 Achievement | | | | % Completion (Accumulative Achievement vs LOP) | Remarks |
|--|---|---------------------------|------------------|-------------|----------------|-------------------|--|---|
| | | | Landscape | 2014 Target | Achievement | Total Achievement | | |
| | | | Asmat | 200,000 | - | | | Calculator, IFACS is now using effective area for calculation concessionaires area. Effective area is that area which is used to calculate annual areas to be harvested under a 30-year rotation cycle. |
| | | | Mamberamo Raya | 500,000 | - | | | |
| | | | Sarmi | 72,000 | 427,534 | | | |
| #6: Number of villages with increased capacity to adapt to the impacts of climate change. | 54 villages with increased capacity to adapt to the impacts of climate and change | 0 village (new indicator) | South Aceh | 9 | 6 | 35 villages | 65% | none |
| | | | South East Aceh | 9 | 8 | | | |
| | | | Ketapang | 9 | 6 | | | |
| | | | Katingan | 9 | 9 | | | |
| | | | Mimika | 9 | - | | | |
| | | | Asmat | - | - | | | |
| | | | Mamberamo Raya | - | - | | | |
| | | | Sarmi | 9 | 6 | | | |
| #7: Amount of investment leveraged in U.S. dollars from private and public sources for climate change, conservation, and spatial planning | US\$4,000,000 funds leveraged | US\$1,012,495 | South Aceh | 300,000 | 1,319,490 | US\$3,530,275 | 114% | none |
| | | | South East Aceh | 300,000 | 1,893,937 | | | |
| | | | Ketapang | 250,000 | 13,033 | | | |
| | | | Katingan | 300,000 | 105,005 | | | |
| | | | Mimika | 500,000 | 81,463 | | | |
| | | | Asmat | 500,000 | - | | | |
| | | | Mamberamo Raya | 300,000 | - | | | |
| | | | Sarmi | 400,000 | 117,347 | | | |
| #8: Percentage increase in recognition and understanding of major conservation, forestry, and climate issues by governments, stakeholders, | 50% increase in recognition and understanding of major [environmental] | 0% | South Aceh | 50% | To be measured | To be measured | To be measured | Endline KAP survey is under preparation and will be rolled out during October–December 2014 |
| | | | South East Aceh | 50% | To be measured | | | |
| | | | Ketapang | 50% | To be | | | |

| PMP Indicators | Target Over the Life of Project | Achievement up to 2013 | 2014 Achievement | | | | % Completion (Accumulative Achievement vs LOP) | Remarks |
|--|--|----------------------------|------------------|-------------|----------------|--------------------|--|---------|
| | | | Landscape | 2014 Target | Achievement | Total Achievement | | |
| and local communities in targeted landscapes. | issues | | | | measured | | | |
| | | | Katingan | 50% | To be measured | | | |
| | | | Mimika | 50% | To be measured | | | |
| | | | Asmat | 50% | To be measured | | | |
| | | | Mamberamo Raya | 50% | To be measured | | | |
| | | | Sarmi | 50% | To be measured | | | |
| #9: Number of multi-stakeholder fora (MSFs) operational | 11 MSFs operational | 0 MSF (modified indicator) | South Aceh | 1 | 1 | 5 MSFs operational | 45% | none |
| | | | South East Aceh | 2 | 2 | | | |
| | | | Ketapang | 3 | 1 | | | |
| | | | Katingan | 3 | 1 | | | |
| | | | Mimika | 1 | - | | | |
| | | | Asmat | n/a | - | | | |
| | | | Mamberamo Raya | 1 | - | | | |
| | | | Sarmi | 1 | - | | | |
| #10: Number of spatial data infrastructure (SDIs) with increased capacity to collect, analyze, and report valid data | 11 SDIs with increased capacity to collect, analyze, and report valid data | 0 SDI (new indicator) | South Aceh | 1 | - | 0 SDI | 0% | none |
| | | | South East Aceh | 2 | - | | | |
| | | | Ketapang | 3 | - | | | |
| | | | Katingan | 3 | - | | | |
| | | | Mimika | 1 | - | | | |
| | | | Asmat | n/a | - | | | |
| | | | Mamberamo Raya | n/a | - | | | |
| | | | Sarmi | 1 | - | | | |
| #11: Number of districts with | 11 districts with an | 0 district | South Aceh | 1 | - | 1 district | 9% | none |

| PMP Indicators | Target Over the Life of Project | Achievement up to 2013 | 2014 Achievement | | | | % Completion (Accumulative Achievement vs LOP) | Remarks |
|--|---|-----------------------------------|------------------|-------------|-------------|---------------------------|--|---------|
| | | | Landscape | 2014 Target | Achievement | Total Achievement | | |
| an operational monitoring system in place | operational monitoring system in place | (new indicator) | South East Aceh | 2 | - | | | |
| | | | Ketapang | 3 | - | | | |
| | | | Katingan | 3 | 1 | | | |
| | | | Mimika | 1 | - | | | |
| | | | Asmat | n/a | - | | | |
| | | | Mamberamo Raya | n/a | - | | | |
| | | | Sarmi | 1 | - | | | |
| #12: Number of regulations and plans promoting sustainable natural resource management developed | 5 regulations and/or plans promoting sustainable natural resources management | 0 regulation (modified indicator) | South Aceh | 1 | - | 12 regulations | 240% | none |
| | | | South East Aceh | n/a | 6 | | | |
| | | | Ketapang | 1 | 1 | | | |
| | | | Katingan | 1 | 3 | | | |
| | | | Mimika | 1 | 1 | | | |
| | | | Asmat | n/a | 1 | | | |
| | | | Mamberamo Raya | 1 | - | | | |
| #13: Number of private-sector entities (concessionaires) that implement conservation management and monitoring plans (CMMPs) | 15 private-sector entities (concessionaires) that implement CMMP (modified indicator) | 0 private-sector entities | Sarmi | n/a | - | 6 private-sector entities | 40% | none |
| | | | South Aceh | n/a | - | | | |
| | | | South East Aceh | n/a | - | | | |
| | | | Ketapang | 6 | 2 | | | |
| | | | Katingan | 5 | 4 | | | |
| | | | Mimika | 1 | - | | | |
| | | | Asmat | n/a | - | | | |
| #14: Number of community conservation and livelihood agreements (CCLAs) signed | 160 CCLAs signed | 0 CCLA (new indicator) | Mamberamo Raya | 1 | - | 162 CCLAs | 101% | none |
| | | | Sarmi | 2 | - | | | |
| | | | South Aceh | 36 | 38 | | | |
| | | | South East Aceh | 28 | 45 | | | |

| PMP Indicators | Target Over the Life of Project | Achievement up to 2013 | 2014 Achievement | | | | % Completion (Accumulative Achievement vs LOP) | Remarks |
|---|--|--------------------------|------------------|-------------|-------------|-------------------|--|---------|
| | | | Landscape | 2014 Target | Achievement | Total Achievement | | |
| | | | Ketapang | 19 | 22 | | | |
| | | | Katingan | 23 | 20 | | | |
| | | | Mimika | 6 | 5 | | | |
| | | | Asmat | n/a | - | | | |
| | | | Mamberamo Raya | n/a | - | | | |
| | | | Sarmi | 48 | 32 | | | |
| #15: Number of people exposed to USAID IFACS-supported information on forest and land use based conservation issues | 143,000 people exposed to USAID IFACS-supported information on forest and land use based conservation issues | 0 people (new indicator) | South Aceh | 40,000 | 7,548 | | | |
| | | | South East Aceh | 50,000 | 18,318 | | | |
| | | | Ketapang | 50,000 | 169,626 | | | |
| | | | Katingan | 2,000 | 1,246 | | | |
| | | | Mimika | 30,000 | 113,013 | | | |
| | | | Asmat | 5,000 | 459 | | | |
| | | | Mamberamo Raya | 1,000 | 0 | | | |
| | | | Sarmi | 5,000 | 7,607 | | | |
| #16: Number of people receiving USG-supported training in natural resources management and/or biodiversity conservation. (FACTS 4.8.1-27) | 3,500 people receiving USG-supported training in natural resources management and/or biodiversity conservation | 3,191 people | South Aceh | 250 | 1389 | | | |
| | | | South East Aceh | 250 | 1416 | | | |
| | | | Ketapang | 150 | 1106 | | | |
| | | | Katingan | 100 | 859 | | | |
| | | | Mimika | 200 | 63 | | | |
| | | | Asmat | 200 | 0 | | | |
| | | | Mamberamo Raya | 150 | 0 | | | |
| | | | Sarmi | 200 | 302 | | | |

APPENDIX 2: GRANTS ACTIVE IN YEAR 4

| No. | Grantee | Activity | Landscape | Period of Performance | |
|-----|---|---|-----------------|-----------------------|---------------|
| | | | | Start Date | End Date |
| 1 | Yayasan Palung | Strengthening village institutions and providing sustainable economic alternatives as tools to improve conservation of Gunung Palung National Park and the livelihoods of surrounding communities in Ketapang and Kayong Utara. Objectives include (1) protect forest and enable better land-use planning with communities around Gunung Palung National Park by facilitating them to obtain legal recognition of their forest management rights under the Hutan Desa scheme; (2) strengthen community groups around the park to improve non-timber forest utilization; and (3) increase awareness of communities and decision makers in supporting community forest management, Non-Timber Forest Product (NTFP) development and conservation practices. Beneficiaries include 21 people (in four villages) who received training in spatial planning, hutan desa regulation, and management; 80 people trained in handicraft design and quality who also received support in tools, equipment, capital and market access; and 79 people who received improved understanding in forest management, NTFP, conservation, and climate change. | West Kalimantan | Jan.1, 2013 | Oct. 31, 2014 |
| 2 | Yayasan Peduli AIDS Timika (YAPEDA) Papua | The project on Improving Natural Resources Conservation in Communal Land in Mimika has a strategic objective to preserve mangrove forest as a source of livelihood for the indigenous people in Timika. The project develops a strategy to implement alternative food security for the indigenous people, apply local wisdom in mangrove forest utilization, and develop public policy on mangrove forest conservation. The project locations are in five villages in the East Mimika and West Mimika subdistricts. The target beneficiaries are 150 households. The project strives to make the portion of women who are active in the project reach 30% of the total participants. | Mimika | July 2, 2013 | Oct. 31, 2014 |

| No. | Grantee | Activity | Landscape | Period of Performance | |
|-----|--|---|-----------------|-----------------------|---------------|
| | | | | Start Date | End Date |
| 3 | Lembaga GEMAWAN (Lembaga Pengembangan Masyarakat Swadaya dan Mandiri) | The project on empowerment of rubber farmers and protection of six villages' community farmland in regional spatial plan for Kayong Utara District focuses on convincing local governments on the importance and value of traditional rubber agrosystems in providing both incomes for local communities and conservation of biodiversity. It advocates for local government regulation to protect community management areas, including a rubber agroforestry system. Further, it increases the capacity of 200 traditional rubber agrosystem farmers to produce higher quality rubber plantation in areas of 200 Ha, and gain transparent and real-time market pricing information. | West Kalimantan | Sept. 1, 2013 | Oct. 31, 2014 |
| 4 | SUAR Institute | The project on improving sustainable forest management surrounding the Senempak and Poring villages of Melawi District The objective of this project is to improve watershed management near both the Senempak and Poring villages in the Pinoh sub-watershed through forest protection. Especially to (1) reduce logging and further degradation of these forests by people from these villages; (2) provide information on environmental best management practices to villagers; (3) provide alternative livelihoods to encourage villagers to reduce their reliance on wood from these forests; (4) work with government spatial planners and other stakeholders in the local environmental multi-stakeholder forum (<i>Forum Peduli Perubahan Iklim Melawi</i>) to prevent additional oil palm concessions in the watershed; and (5) explore opportunities for an environmental services payment mechanism between the water service providers in both Senempak and Poring villages and service utilization of water resources (local drinking water operators). Beneficiaries: 100 farmers. | West Kalimantan | Oct. 16, 2013 | Oct. 31, 2014 |
| 5 | Lembaga Pengkajian Pemberdayaan Perempuan dan Anak Papua (LP3A-P) | The goal of this project is to reduce carbon emission in the area of the district of Mimika, Papua, through forest and natural resources conservation and sustainable utilization. There are two objectives (outcomes) that the project is trying to achieve, i.e.: 1. Improved management of important areas of forest and natural resources surrounding target village areas in Mimika district; Outputs: a) Improved community awareness of forest conservation and climate change; b) forest areas with high conservation values are identified. 2. Improved household economic condition of communities in target | Mimika | Feb. 25, 2014 | Dec. 24, 2014 |

| No. | Grantee | Activity | Landscape | Period of Performance | |
|-----|-------------------------------------|--|--------------------|-----------------------|---------------|
| | | | | Start Date | End Date |
| | | villages in Mimika district. Outputs: a) Increased diversification of local food in target areas; b) Increase the value added of local food for household economic improvement Beneficiaries: 400 community members. | | | |
| 6 | Yayasan Citra Borneo Lestari (YCBL) | The goal of this project is reduced deforestation in Katingan and Palangkaraya areas. This project is expected to contribute to reducing deforestation as village community will increase its economic benefits instead of logging in the forest, planting some forest trees in critical land areas. There are two objectives (outcomes) as specific objectives that the project will try to achieve. These are (1) increased economic condition of rubber farmers, and (2) improved condition of important areas or forest, which contain some high conservation values. The outputs include (1) improved quality of rubber product of target community; (2) increased access to market for rubber products of community in target villages; (3) CCLA is developed in all target villages; and (4) multi-stakeholders' collaboration for rehabilitation of critical land is developed Beneficiaries: 450 community members and rubber farmers. | Central Kalimantan | Feb. 25, 2014 | Dec. 24, 2014 |
| 7 | Yayasan ASRI | The overall goal of the project is to reduce deforestation and degradation in Gunung Palung National Park while improving the well-being of local communities through achievement of the following objectives: (1) reduce dependency on forest resources through the promotion of alternative livelihoods, such as sustainable farming; (2) increase economic stability of families who depend upon extraction and exploitation of forest resources, achieved through training households on financial management and development of "Green Kitchen" gardens; (3) strengthen program sustainability by integrating and linking ASRI's program with other relevant stakeholders (NGOs, private sector, government); (4) reduce deforestation and degradation within and around Gunung Palung National Park through development and implementation of CCLAs. Beneficiaries: 452 farmers. | West Kalimantan | Feb. 25, 2014 | Dec. 24, 2014 |
| 8 | Perkumpulan SaMPan | The overall goal of the project is protecting the remaining forest cover and improving community welfare in West Kalimantan by revitalizing and | West Kalimantan | Feb. 25, 2014 | Dec. 24, 2014 |

| No. | Grantee | Activity | Landscape | Period of Performance | |
|-----|--|--|--------------------|-----------------------|---------------|
| | | | | Start Date | End Date |
| | | <p>rehabilitating the tembawang agroforestry system through meeting the following objectives: (1) recognition and protection of tembawang as a form of natural resources preservation in seven villages; in terms of social aspects, our proposal will be strong because the policy has been made based on community agreement; tembawang will therefore have village legal recognition as a form of local natural resource management; (2) optimization of tembawang in the target villages around existing plantation areas by planting crops that have a high economic value, such as forest fruit and vegetables, and propagating growth with the use of an organic fertilizer; (3) to develop alternative economic income in the target villages through the processing of non-timber forest products (NTFP) and the development of market linkages; this will increase community income and also educate and promote products to consumers concerned about conservation issues.</p> <p>Beneficiaries: 452 community members and indigenous people.</p> | | | |
| 9 | Yayasan Usaha Baik-Caritas Keuskupan Ketapang (YUSABA-CKK) | <p>The overall goal of the project is to protect and maintain forest conservation areas through livelihood improvement of forest-dependent communities by implementing good agroforestry practices, household economic management, and strengthening self-help groups.</p> <p>This goal will be met through the following objectives: (1) establish CCLAs; (2) improve rubber agroforestry practices to increase household income; (3) improve financing and market access for rubber farmers.</p> <p>Beneficiaries: 480 rubber farmers.</p> | West Kalimantan | Feb. 25, 2014 | Dec. 24, 2014 |
| 10 | Lembaga Pendidikan dan Pemberdayaan Masyarakat (eLPaM) | <p>The project goal is to reduce deforestation in the area of Palangkaraya city by strengthening agroforestry activities and planting trees on unproductive or critical land areas.</p> <p>To reduce deforestation in the target area, the project will seek to achieve three strategic objectives: (1) increase the quality of rubber products in target villages; (2) increase access to markets for local rubber producers; (3) improve the condition of the area surrounding target villages by planting trees on degraded land.</p> <p>Beneficiaries: 400 rubber farmers.</p> | Central Kalimantan | Feb. 25, 2014 | Dec. 24, 2014 |
| 11 | Aceh Green Community (AGC) | <p>The overall goal of the project is to reduce pressure on the forest impacted by deforestation and degradation, through an economic livelihood program focusing on the multi-purpose species <i>Aranga</i></p> | Aceh Tenggara | Feb. 25, 2014 | Dec. 24, 2014 |

| No. | Grantee | Activity | Landscape | Period of Performance | |
|-----|---------------------------|--|---------------|-----------------------|---------------|
| | | | | Start Date | End Date |
| | | <p><i>pinnata</i>, the sugar palm.</p> <p>Specific project objectives are (1) improved income for farmers and forest buffer zone communities through improved sustainable utilization (fiber for handicrafts / processed raw material, and sap water) of the sugar palm; (2) improve management and conservation of forest resources where sugar palm is found.</p> <p>Beneficiaries: 400 palm sugar farmers and producers.</p> | | | |
| 12 | Forum Pala Aceh (FORPALA) | <p>The goal of this program is expected to reduce pressure on the forest, resulting in deforestation and degradation, through an improvement of economic benefits from improved environmentally sensitive nutmeg cultivation. The project will target more than 1,100 nutmeg farmers living close to the forest in Aceh Selatan and restore 500 hectares of nutmeg grove.</p> <p>Objectives (outcomes): (1) improved economic benefits from improved environmentally sensitive nutmeg cultivation through i) regeneration of ex-nutmeg groves with improved disease-resistant nutmeg stock for the future maintenance of the nutmeg industry in Aceh Selatan, and ii) integrated pest and disease management and good environmental practice applied; (2) improved management of nutmeg and forest ecosystem resources through developing CCLA in five communities.</p> | Aceh Selatan | Feb. 25, 2014 | Dec. 24, 2014 |
| 13 | Yayasan INDECON | <p>The goal of this program is to facilitate the development of a high quality, international quality ecotourism experience in the Leuser Mountain landscape that brings economic benefits to local forest-dependent communities. The project will target 130 people (local tour operators, local guides, and related stakeholders).</p> <p>Objectives include (1) develop ecotourism tour products that capitalize on the attributes of the Leuser Mountain National Park landscape; (2) involve local communities in the Leuser landscape to develop ecotourism products that meet product standards; (3) train local guides and relevant community members on providing services needed for successful itineraries; (4) organize a trial tour for the newly developed ecotourism products; (5) introduce the newly developed tour products to national and regional tourism markets specializing in responsible ecotourism and educational adventure tourism.</p> | Aceh Tenggara | Sept. 1, 2014 | Dec. 31, 2014 |

APPENDIX 3: SUBCONTRACTS ACTIVE IN YEAR 4

| No. | Subcontractor | Activity | Landscapes | Period of Performance |
|-----|----------------------------------|--|---|--------------------------------|
| 1 | Tropical Forest Foundation (TFF) | Reduced impact logging training for timber concessions | Central Kalimantan, West Kalimantan, Sarmi and Mamberamo Raya | Feb. 21, 2012 – Dec. 30, 2014 |
| 2 | WWF-Indonesia | Participatory mapping workshops; conservation of traditional protected areas | Asmat | Sept. 24, 2012 – Jan. 15, 2015 |
| 3 | Re.Mark Asia | Preparation of CMMPs for private-sector partners | West Kalimantan, Central Kalimantan and Sarmi | Jan. 7, 2013 – Oct. 31, 2014 |
| 4 | FIELD | Community climate change adaptation plans | Aceh, Kalimantan, Sarmi, and Mimika | June 24, 2013 – Nov. 15, 2014 |
| 5 | Daemeter | Development of HCV-CMMP for 5 concessions | Kalimantan, Mimika, Sarmi, and Mamberamo Raya | April 15 – Dec. 20, 2014 |
| 6 | SIF | Cacao value chains | Aceh | Jan. 23 – Dec. 31, 2014 |
| 7 | MAP Indonesia | Mangrove management plan | Mimika | March 5 – Dec. 15, 2014 |
| 8 | YOSL-OIC | Leuser NP conservation management | Aceh | Mar. 13, 2014 – Jan. 15, 2015 |
| 9 | BOSF | Mawas peat land rehabilitation | Kalimantan | Feb. 24, 2014 – Jan. 15, 2015 |
| 10 | FKPSM | Trumon Corridor ecotourism development | Aceh | Apr. 1, 2014 – Jan. 15, 2015 |
| 11 | CV Ulya Brothers | Visual media development | Aceh | Aug. 20, 2014 – Oct. 30, 2014 |
| 12 | Rumah Ide | Visual media development | Kalimantan | Aug. 18, 2014 – Oct. 30, 2014 |
| 13 | Grameen Foundation TaroWorks | Piloting mobile ICT for land use practice in Aceh landscapes | Aceh | Sep. 15, 2014 – Nov. 21, 2014 |

APPENDIX 4: IFACS PRIVATE SECTOR PARTNERS

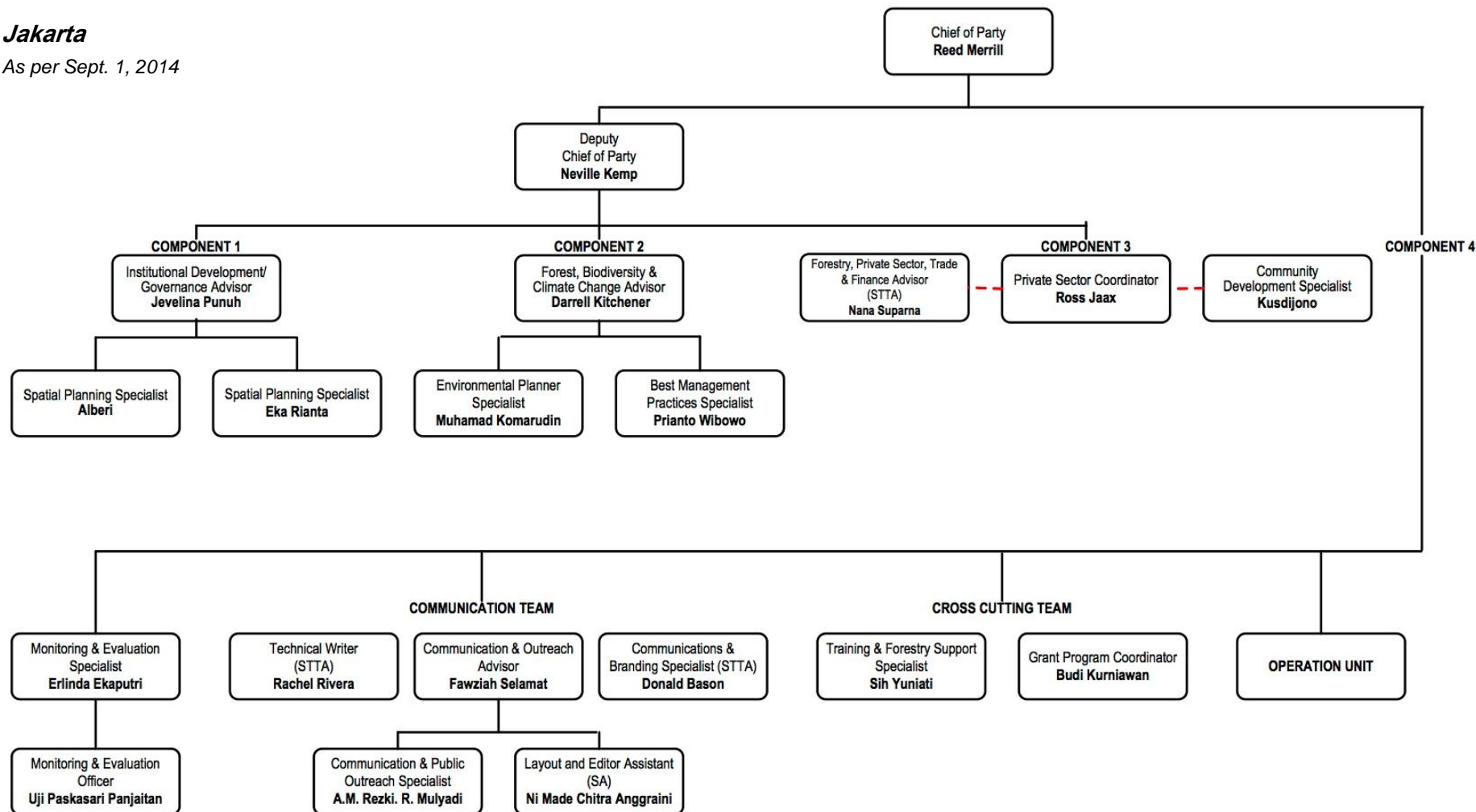
| | | | | HCV-CMMP Training | RIL | Value Chain Partners |
|----|------------------------------|-------------------------------|----------------|----------------------------|----------------------------|----------------------|
| | Name | | MOU signed | Implemented by | Implemented by | Implemented by |
| 1 | PT Sari Bumi Kusuma - Totang | Natural forest | April 30, 2012 | Re.Mark Asia | Tropical Forest Foundation | |
| 2 | PT Wanasokan Hasilindo | Natural forest | April 30, 2012 | Direct | Tropical Forest Foundation | |
| 3 | PT Suka Jaya Makmur | Natural forest | April 30, 2012 | Direct | - | |
| 4 | PT Bina Balantak Utama | Natural forest | May 22, 2012 | Daemeter | Tropical Forest Foundation | |
| 5 | PT Wapoga Mutiara Timber II | Natural forest | June 18, 2012 | Re.Mark Asia | Tropical Forest Foundation | |
| 6 | PT Graha Sentosa Permai | Natural forest | Aug. 8, 2012 | Re.Mark Asia | Tropical Forest Foundation | |
| 7 | PT Hutan Mulya | Natural forest | Aug. 8, 2012 | Re.Mark Asia | Tropical Forest Foundation | |
| 8 | PT Pangkar Begili | Natural forest | Aug. 8, 2012 | Re.Mark Asia | Tropical Forest Foundation | |
| 9 | PT Dwima Jaya Utama | Natural forest | Aug. 8, 2012 | Re.Mark Asia | Tropical Forest Foundation | |
| 10 | PT Sari Bumi Kusuma - Delang | Natural forest | Aug. 8, 2012 | Direct | Tropical Forest Foundation | |
| 11 | PT Rimba Makmur Utama | Restoration ecosystem | Sept. 27, 2012 | Re.Mark Asia | - | |
| 12 | PT Pasifik Agro Sentosa | Oil palm | April 18, 2013 | Daemeter | - | |
| 13 | PT Freeport Indonesia | Mining (project area) | Not required | Daemeter | - | |
| 14 | PT Freeport Indonesia | Mining (contract of work) | Not required | Daemeter | - | |
| 15 | HIPKAL Group | Natural Forest (IUPHHK - MHA) | Not required | Tropical Forest Foundation | Tropical Forest Foundation | |

| | | | | HCV-CMMP Training | RIL | Value Chain Partners |
|----|-----------------------------|-------------------------------|--------------|-------------------|----------------|---------------------------------------|
| | Name | | MOU signed | Implemented by | Implemented by | Implemented by |
| 16 | PT Cocoa Ventures Indonesia | Cocoa bean processing company | Not required | | | Direct and with Yayasan Sahabat Cipta |
| 17 | PT Borneo Makmur Lestari | Rubber processing plant | Not required | | | Direct |
| 18 | Mars Symbioscience | Chocolate manufacturer | Not required | | | Direct |

APPENDIX 5: ORGANIZATION CHARTS

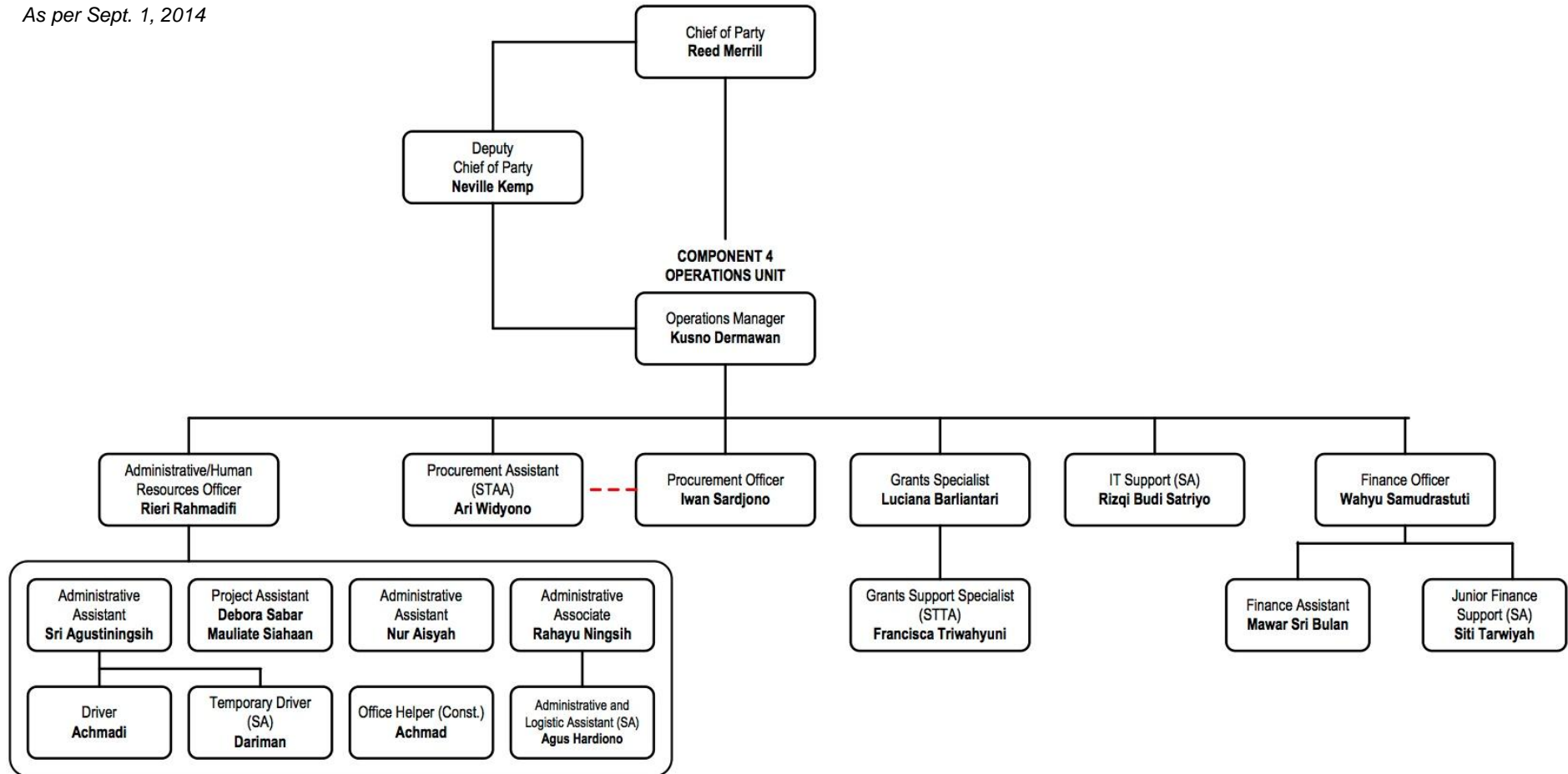
Jakarta

As per Sept. 1, 2014



JAKARTA

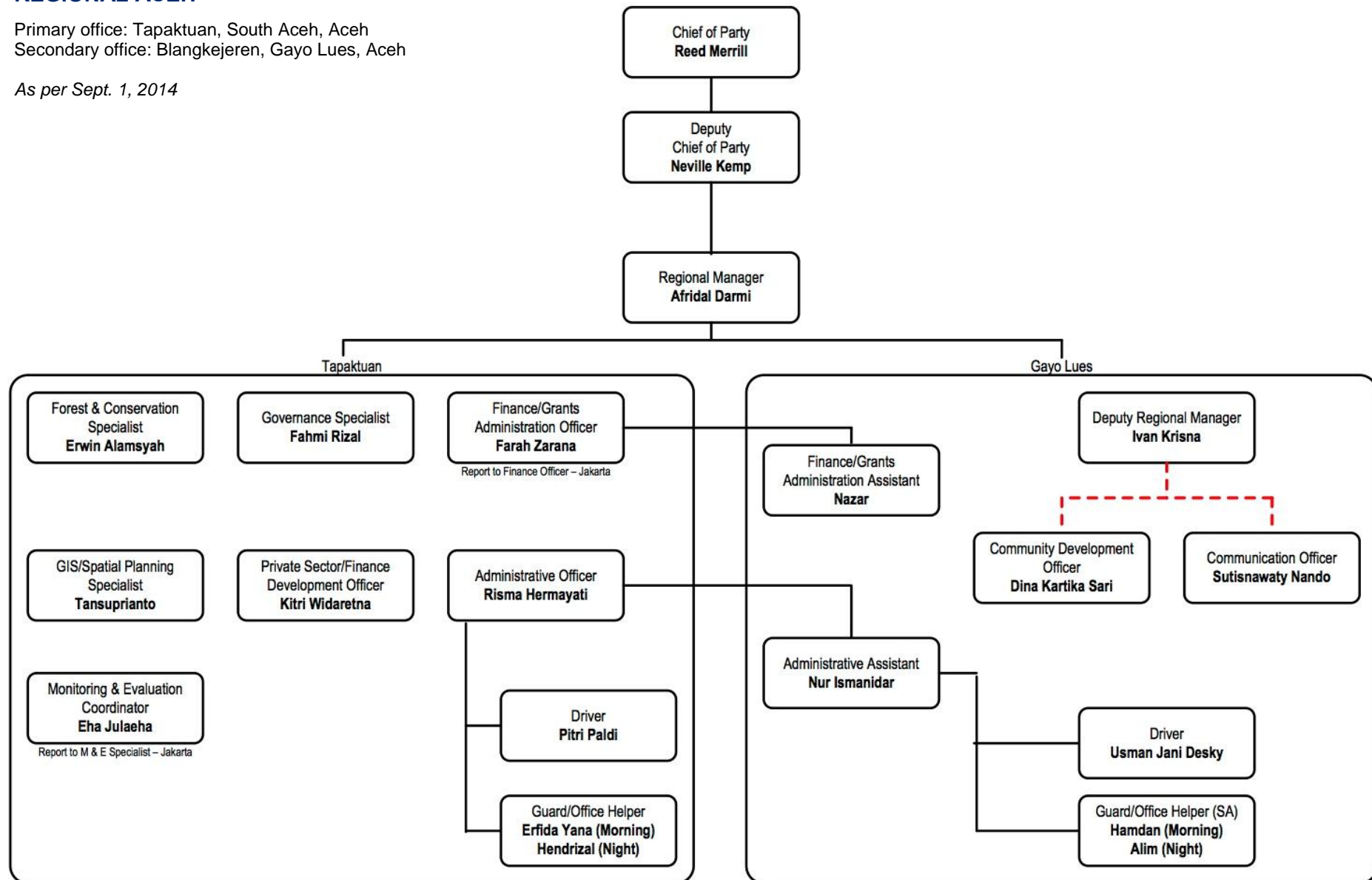
As per Sept. 1, 2014



REGIONAL ACEH

Primary office: Tapaktuan, South Aceh, Aceh
Secondary office: Blangkejeren, Gayo Lues, Aceh

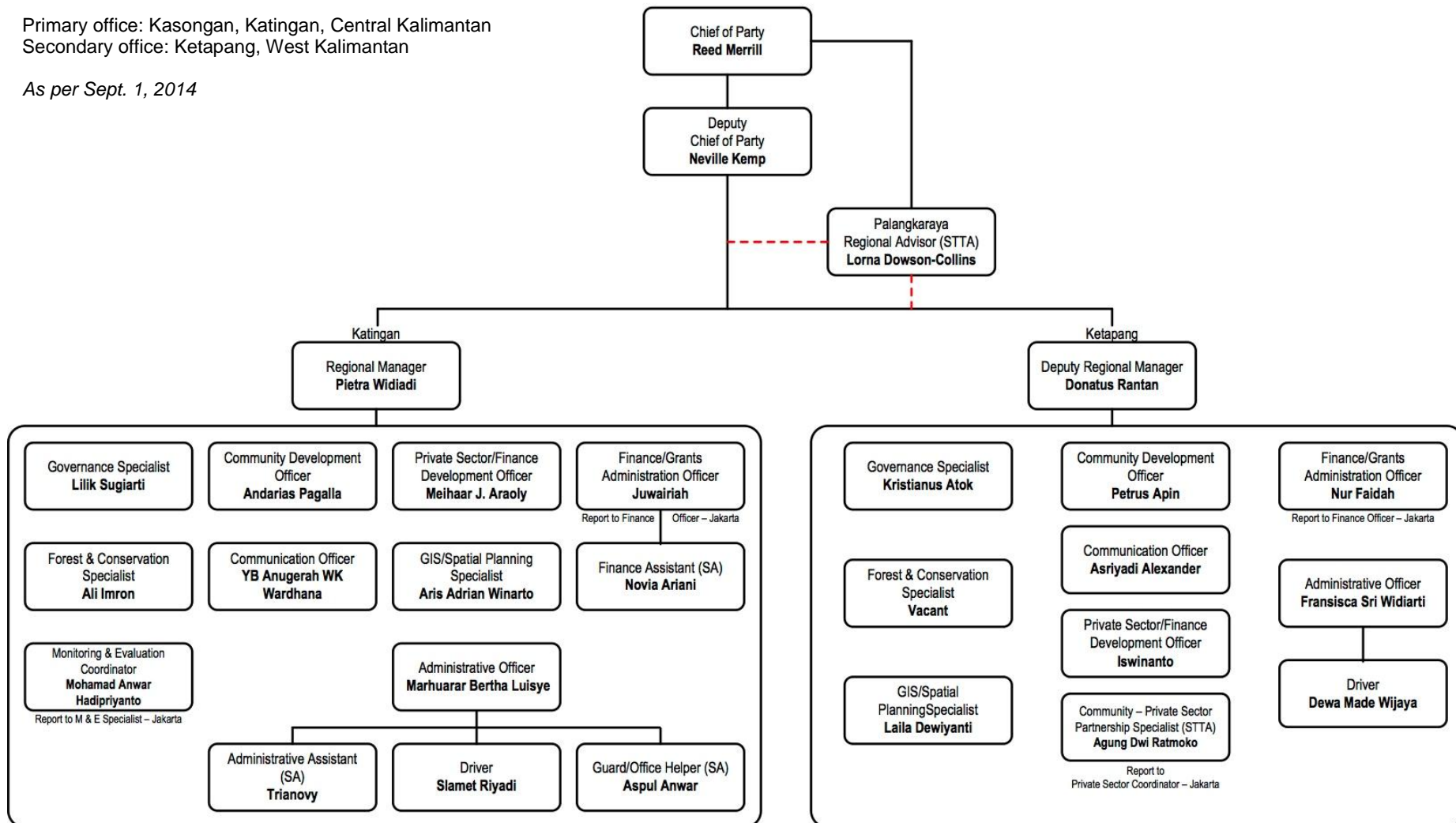
As per Sept. 1, 2014



REGIONAL KALIMANTAN

Primary office: Kasongan, Katingan, Central Kalimantan
Secondary office: Ketapang, West Kalimantan

As per Sept. 1, 2014



REGIONAL PAPUA

Northern Papua

Primary office: Sarmi, Papua

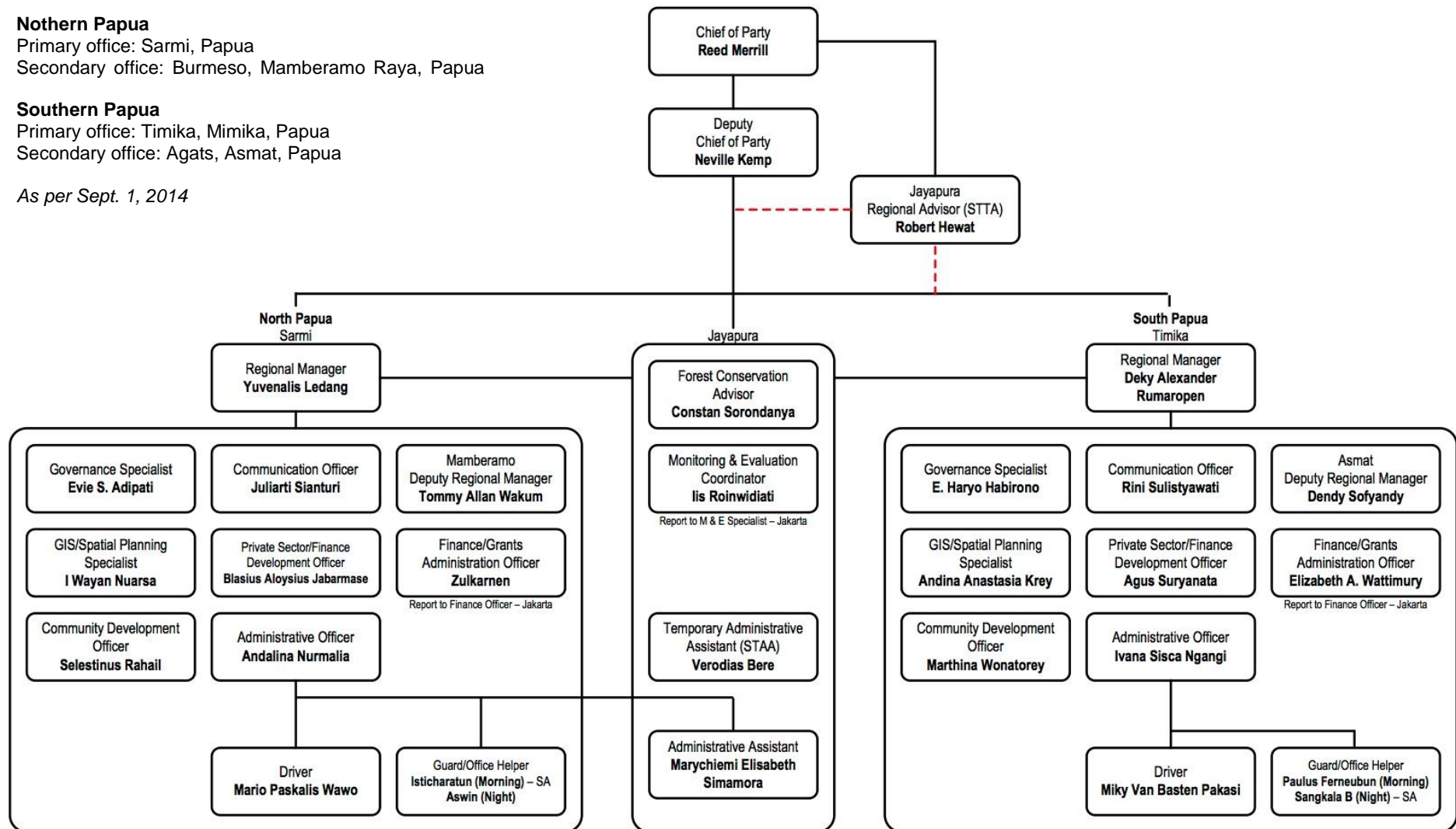
Secondary office: Burmeso, Mamberamo Raya, Papua

Southern Papua

Primary office: Timika, Mimika, Papua

Secondary office: Agats, Asmat, Papua

As per Sept. 1, 2014



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